

<p>CERM-FC</p> <p>Engineer Regulation 37-345-10</p>	<p>Department of the Army U.S. Army Corps of Engineers Washington, DC 20314-1000</p>	<p>ER 37-345-10</p> <p>1 March 1969 (original) (There have been 52 changes since publication of original document)</p>
	<p>Financial Administration</p> <p>ACCOUNTING AND REPORTING - MILITARY ACTIVITIES</p>	
	<p><b>Distribution Restriction Statement</b> Approved for public release; distribution is unlimited.</p>	

ENGEC-FS

DEPARTMENT OF THE ARMY  
OFFICE OF THE CHIEF OF ENGINEERS  
WASHINGTON, D. C. 20315

ER 37-345-10

Regulation  
No. 37-345-10

1 March 1969

FINANCIAL ADMINISTRATION

Accounting and Reporting - Military Activities

1. This regulation prescribes the accounting system and related procedures for Military Activities. It is applicable to Corps of Engineers Divisions, Districts, Waterways Experiment Station and Ballistic Missile Construction Office.
2. The military accounting and reporting procedures were heretofore included in ER 35-345-10. The change in ER number is required by AR 310-1.

FOR THE CHIEF OF ENGINEERS:



PHILIP T. BOERGER  
Colonel, Corps of Engineers  
Executive

---

RESCISSIONS: ER 35-345-10, 1 Nov 64 and Changes 1 thru 22.

This publication includes changes 1 through 52

TABLE OF CONTENTS

	<u>Page</u>
* CHAPTER 1 INTRODUCTION AND POLICY	
1-1 Purpose	1-1
1-2 Scope	1-1
1-3 References	1-1
1-4 Concept	4
1-5 Accounting Periods	1-5
1-6 Establishment, Organization and Functions of Finance and Accounting Offices	1-5
1-7 Records Management	1-7
1-8 Mechanization	1-7
CHAPTER 2 GENERAL LEDGER ACCCXJNTS	
2-1 Chart of General Ledger Accounts	1
2-2 Descriptions of General Ledger Accounts	3
2-3 Relationships Between General Ledger Accounts and Subsidiary Data	17
2-4 Adjusting and Closing Entries	23
CHAPTER 3 FORMS AND RECORDS	
3-1 Bureau Voucher (Procurements)	1
3-2 Bureau Voucher (For Cost Transfers)	2
3-3 Journal Entry	3
3-4 Summary Journal Entry	4
3-5 Continuation Sheet (Bureau Voucher or Journal Entry)	4
3-6 Voucher and Schedule of Payments	4
3-7 Installation Block Ticket, DA Form 3974	5
3-8 Funds Receipts and Disbursements Register	5
3-9 Accounts Receivable Registers	6
3-10 Accrued Expenditure Registers	7
3-11 Cash Blotter	8
3-12 Check Register	8
3-13 General Ledger	9
3-14 Allotment Ledgers and Transaction Registers	9
3-15 Cost Ledgers	9
3-16 Other Subsidiary Records	9 *

	<u>Page</u>
* CHAPTER 4 GENERAL ACCOUNTING PROCEDURES	
4-1 General	1
4-2 Allotments and Approved Operating Budgets Received	2
4-3 Suballotments Received	2
4-4 Suballotments Issued	2
4-5 Commitments and Obligations	2
4-6 Unobligated Balances of Lapsed Appropriations and "M" Accounts - Disposition	2
4-7 Accounts Payable	3
4-8 Accrual Accounting Procedures	8
4-9 Progress Payment	9
4-10 Advance Payment Transactions	10
4-11 Unapplied Deposits	12
4-12 Use and Accounting for Imprest Funds	13
4-13 Disbursements	13
4-14 Accounts Receivable Bills Issued	14
4-15 Collections	18
4-16 Transactions by and for Others	20
4-17 Civil Service Retirement Deductions	20
4-18 Payroll and Leave Accounting	21
4-19 Reconciliation of Cash Blotter and Check Register with Funds Receipts and Disbursements Register	4-22
4-20 (Reserved)	4-22
4-21 Transfer of Projects Between Districts	4-22
CHAPTER 5 ALLOTMENT ACCOUNTING PROCEDURES	
5-1 General	5-1
5-2 Commitment Ledger	5-1
5-3 Allotment Ledger	2
5-4 Transaction Register	3
5-5 Control Accounts	4
5-6 Level of Maintenance	4
5-7 Fiscal Year Procedures	6
5-8 General Ledger Postings	6
5-9 Documents Recorded in Allotment Accounts	8
5-10 Objective Classification	10
5-11 Program Year Classification	10
5-12 Fund Limitations and Controls	5-12
5-13 Reconciliation of Ledger Account Balances with Supporting Documents	21
5-14 Year-end Status of Project Orders	21
5-15 Forms	21 *

	<u>Page</u>
CHAPTER 6 COST ACCOUNTS - TITLES AND DESCRIPTIONS	
6-1 General	6-1
6-2 Structure	6-1
*    6-3 Authorized Cost Accounts	6-1
6-4 Description of Cost Accounts	6-11
APPENDIX I DESCRIPTION OF ELEMENTS OF CONSTRUCTION COSTS	6-I-1 *
CHAPTER 7 COST ACCOUNTING PROCEDURES	
7-1 Purpose	7-1
7-2 Definitions and Abbreviations	7-1
7-3 General	7-3
7-4 Maintenance of Construction Cost Accounts	7-4
7-5 General Ledger Control	7-6
7-6 Applied Costs	7-9
7-7 Financing Deferred or Distributive Type Costs	7-11
7-8 Distributive Costs	7-12
7-9 900-Series Accounts	7-13
7-10 Division and District Office Costs	7-15
7-11 Overhead	7-19
7-12 Engineering, Supervision and Administration Fixed Fees, Indirect Job Charges, etc.	7-26
7-13 Supervision and Administration (S&A)	7-27a
7-14 Lump-sum and Unit Price Contract Work	7-30
7-15 CPFF Contract and Hired Labor Work	7-32
7-16 Terminated Construction Contracts	7-34
7-17 Labor Costs	7-34
7-18 Material Costs	7-39
7-19 Construction Plant Facilities	7-47
7-20 Mobile Construction Equipment	7-48
7-21 Assembly and Shop Costs	7-53
7-22 Aggregate and Central Batching Plant Operating Costs	7-55

CHAPTER 7 CONTINUED:

7-23 Cost Estimates	7-56
7-24 Field Code Books	7-57
7-25 Suballotments Issued	7-58
7-26 SuballotmentS Received	7-58
7-27 Estimated Month-and Cost Accruals and Distributions	7-59
7-28 Cost Accounting Instructions Pertaining to Military Real Estate Activities	7-61
7-29 Cost Accounting for Administrative Support of Air Force Regional Civil Engineer (AFRCE) Regional Offices Located at Division and District Offices	7-62
7-30 O&MA Activities Under Resource Management System	7-63
7-31 Military Family Housing Projects	7-63
7-32 Accounting for Superseded and Deleted Line Item Design	7-64
7-33 Engineering and Design performed for or by Another District	7-65
7-34 Fiscal Completion of Physically Completed Construction Line Items	7-65
7-35 Transfer of Projects Between Districts	7-66
7-36 Rounding-off Minor Amounts	7-67
7-37 Forms	7-67

CHAPTER 8 REPORTS

8-1 General	8-1
8-2 Trial Balance	8-1
8-3 (Rescinded)	8-1
8-4 Cost Reporting	8-1
8-5 (Rescinded)	8-1
8-6 (Rescinded)	8-1
8-7 (Rescinded)	8-1
8-8 (Rescinded)	8-1

Page

CHAPTER 8 CONTINUED:

8-9	Financial Completion of Line Item	8-13
8-10	Cost and Performance, Real Estate Activities, ENG Form 4564, (RCS DAEN-RE-10(R3))	8-13
8-11	Reports of Real Estate Receipts, (RCS DAEN-ECF-8 ( R1))	8-15
8-12	Fiscal Year Cost-Budget Summary - Military Activities (RCS DAEN-ECF- 6(R3)), ENG Form 4369	8-16
8-13	Fiscal Year Cost-Budget Summary - Military Activities (RCS DAEN-ECF- 6(R3)), ENG Form 3018c	8-17
8-14	Military Construction Supervision and Administration Account - Revolving Fund (Report 8 of ENG Form 3046) (RCS DAEN-ECF-1 ( R1))	8-23
8-15	Report to Internal Revenue Service - Rent Payments	8-25
8-16	Charges Related to Military Construction Execution (RCS: DD-T&L(A)1206)	8-25

Sample Report:

Charges Related to MILCON Execution  
(RCS: DD-M(A)1206)

CHAPTER 9 APPROPRIATION REIMBURSEMENT ACTIVITY

9-1	General	9-1
9-2	Financing Orders Received	9-1
9-3	Accounting for Appropriation Reimbursement Activity	9-2

CHAPTER 10 HOMEOWNERS ASSISTANCE PROGRAM

10-1	Purpose	10-1
10-2	References	10-1
10-3	Relationship to EHA	10-1
10-4	Accounting Principles	10-2
10-5	Account Structure	10-3
10-6	Acquisition of Homes	10-12
10-7	Funds Accounts	10-12
10-8	Budget Expenditure Account	10-13
10-9	Borrowing Accounts	10-13
10-10	Loan Accounts	10-13
10-11	Revenue Account	10-13
10-12	Funds Returned to US Treasury	10-13
10-13	Reports	10-13
Appendix 10-I	Sample Entries	10-I-1
Appendix 10-II	Report Format 2	10-II-1
	Financial Report - Homeowners	
	Assistance Fund (RCS DAEN-RMF-	
	18(R2))	

\* CHAPTER 11 GENERAL ACCOUNTING PROCEDURES -  
CARRIER FUND

11-1	Purpose	11-1
11-2	Method of Financing	11-1
11-3	Commitments and Obligations	11-1
11-4	The Accrual Basis of Accounting	11-2
11-5	Labor Cost	11-3
11-6	Cost Accounting	11-5
11-7	Account Structure	11-6
11-8	Capital Asset Acquisitions	11-6
11-9	Financial Reporting	11-6
Appendix 11-A	Sample - Results of	
	Operations Report	11-A-1

\*

Page

*	Appendix 11-B Sample - Statement of Operations	11-B-1
	Appendix 11-C Sample - Statement of Financial Position	11-C-1
	Appendix 11-D Sample - Statemen of Cash Flows	11-D-1

\*

APPENDIX 1 SAMPLE TRANSACTIONS	1
APPENDIX 2 SAMPLE TRIAL BALANCE WORKSHEET	23

CHAPTER 1  
INTRODUCTION AND POLICY

1-1 Purpose. The Accounting Principles and Standards contained in ER 37-2-10, Chapter 1, are applicable to this regulation and incorporated herein by reference in lieu of reprinting. The purpose of this regulation is to describe the system used in accounting for Military functions.

1-2 Scope. The system of accounts prescribed and reports required herein are applicable to Divisions, Districts, and Waterways Experiment Station which incur obligations against military funds allotted or suballotted by the Chief of Engineers, or other military agencies.

1-3 References.

a. Publications. This publication includes references to other publications which are listed below. This list does not include all the publications governing installation integrated accounting which, however, should be available in field offices.

(1) Department of the Army.

\* (a) Army Regulations (AR):

37-20  
37-21  
37-27  
37-100  
37-101  
37-103  
37-103-1  
37-105  
37-106  
37-107  
37-108  
37-109  
415-28  
700-43  
735-5  
735-20

(b) (Reserved.)

\* (2) Office, Chief of Engineers, Engineer Regulations (ER):

1-1-6	37-345-1
10-1-2	405-345-700
10-1-3	415-35-1
11-2-320	415-345-10
18-1-2	415-345-270
37-2-10	1180-1-1
37-3-7	

b. Forms. This publication includes references to the forms listed below. Other forms required for accounting and reporting are referred to in publications which should be available in field offices.

(1) Standard and Stock Accounting Forms.

SF 1014	General Ledger
SF 1014A	General Ledger
SF 1034	Public Voucher for Purchases and Services Other Than Personal
SF 1038	Application and Account of Advanced Funds
SF 1049	Public Voucher for Refunds
SF 1080	Voucher for Transfers Between Appropriations and/or Funds
SF 1093	Schedule of Withholdings Under the Davis-Bacon Act
SF 1096	Schedule of Voucher Deductions
SF 1097	Voucher and Schedule to Effect Corrections of Errors
SF 1113	Public Voucher for Transportation Charges
SF 1114	Bill for Collection
SF 1114A	Official Receipt
SF 1114B	Collection Voucher
SF 1129	Reimbursement Voucher
SF 1166	Voucher and Schedule of Payments
SF 1166A	Voucher and Schedule of Payments (Memorandum)
SF 1167	Voucher and Schedule of Payments (Con't Sheet)
SF 1167A	Voucher and Schedule of Payments (Continuation Sheet) (Memorandum)

(2) Department of Defense Forms.

DD 448	Military Interdepartmental Purchase Request
DD 1131	Cash Collection Voucher
DD 1144	Interservice Supply Support Agreement
DD 1351	Travel Voucher
DD 1351-2	Travel Voucher or Subvoucher
DD 1354	Transfer and Acceptance of Military Real Property
DD 1391	Military Construction Project Data

\*

## (3) Department of Army Forms.

DA Form 2153 Manpower Utilization and Requirements Part A -  
Utilization (Including Personal Services  
Earnings)  
DA Form 2544 Intra-Army Order for Reimbursable Services  
DA Form 3717 Miscellaneous Obligation Document  
DA Form 3900 Bills Register - Supplies and Services -  
Non-Personal  
DA Form 3970 Transfer Adjustment Voucher  
DA Form 3974 Installation Block Ticket  
DA Form 3994 Cash Blotter  
DA Form 4522 Record of Advance Payments

## (4) ENG Forms.

\*  
1 Employee's Daily Labor Report  
1A Daily Labor Report (Short)  
2 Summary of Distribution of \_\_\_\_\_  
4R Monthly Report of Receipt and Issue of  
Materials and Supplies  
17A Cost Sheet - Miscellaneous  
93 Payment Estimate - Contract Performance  
453 General Ledger  
1301 Time and Attendance Report and Labor Report  
Cost Sheet  
1301a Time and Attendance Report and Labor Report  
Cost Sheet  
1301b Labor Report Cost Sheet  
2106 Allotment Ledger/Work Allowance Ledger  
2440 Acquisition Progress Report  
2904 Continuation Sheet to SF 1080  
2956 Statement of Status of Imprest Fund  
3003 Accounts Receivable Register  
3004 Accrued Expenditures Register  
3005 Bureau Voucher (Procurements)  
3006 Bureau Voucher (For Cost Transfers)  
3006a Bureau Voucher (For Cost Transfers)  
3007 Journal Entry  
3007a Journal Entry (Summary)  
3008 Continuation Sheet (Bureau Voucher or Journal  
Entry)  
3013 Work Order/Completion Report  
3018c Fiscal Year Cost - Budget Summary - Military  
Activities  
3027 Funds Receipts and Disbursements Register -  
Military Funds  
3030 Transaction Register\*

*	3036	Allotment Ledger/Work Allowance Ledger (Civil Activities Only)	
	3038	Transaction Register	
	3039	Miscellaneous Commitment Document	
	3040	Commitment Ledger	
	3041-R	Report of Real Estate Receipts	
	3046	Analysis of Warehouse Stocks, Accounts Receivable Military Construction - Supervision and Administration Account - Revolving Fund	
	3055	Warehouse Stock (Inventory) Record Card	
	3059	Requisition on Warehouseman	
	3163	Individual Accounts Payable Record	
	3313	Remittance Register	
	3315	Check Register	
	4013	Daily Worksheet for Reconciliation of Cash Blotter and Check Register with Fund Receipts and Disbursement Register (Journals)	
	4261-R	Sample Trial Balance	
	4300-R	Financial Report - Homeowners Assistance Fund	
	4369	Fiscal Year Cost-Budget Summary	
	4564	Real Estate Schedule/Cost and Performance FY..	*

(5) Corps of Engineers' Cost Forms.

67R	Field Inspection Report of Material in Place
68R	Computation of Material Costs
69R	Daily Equipment Operation Card

\* (6) (Rescinded.) \*

1-4 Concept.

a. Disbursing, general accounting, allotment accounting, and cost accounting are integrated into a single comprehensive accounting system. This system is operated on the "double entry" principle and prescribes the maintenance of a general ledger, various subsidiary ledgers which are controlled by specified general ledger accounts, and related transaction registers.

b. The accounts in this system are generally maintained on an accrual accounting concept, i.e., accounts are debited and credited as applicable on the basis of goods and services received without regard to whether an invoice has been presented and/or disbursement made. However, the allotment ledger is maintained on the cash accounting basis with respect to accounts receivable.

1-5 Accounting Periods. The accounting period for recording actual transactions and accruals is the calendar month. The fiscal year cycle is from 1 October through 30 September as established by law.

1-6 Establishment, Organization and Functions of Finance and Accounting Offices.

a. Establishment of Finance and Accounting Branch. The Finance and Accounting Branch will be activated only with the advance approval of the Comptroller of the Army. Recommendations of installation commanders for such activation will be submitted through channels in accordance with Chapter 2, AR 37-103. Finance and Accounting Branches will be organized in accordance with AR 37-101, ER 10-1-2, and ER 10-1-3. Authority to deviate therefrom must be obtained in advance from the Chief of Engineers. However, the Examination and Disbursing Sections will never be merged or headed by the same individual.

b. Operations. Accounting, disbursing and reporting operations will be in accordance with applicable regulations (para 1-3a). The accounts prescribed herein will be maintained in the Finance and Accounting Branch and will in no way be duplicated by similar records maintained elsewhere in the district office.

c. Appointment of Finance and Accounting Officers. A Finance and Accounting Officer will be appointed at each installation to serve as head of the Finance and Accounting Branch under the direct supervision and control of the Comptroller. The provisions of paragraph 2-6, AR 37-103 will be followed. In the case of appointment of civilians as Finance and Accounting Officers (special disbursing agents), a Qualification Statement will accompany the request for appointment from the installation commander. The Qualification Statement will show: I Education. List details of education beyond high school, including semester hours of credit, degrees or diplomas conferred. Include any extension courses completed or Army Schools attended. Clearly indicate semester hours of accounting completed. II Experience. Briefly detail types of experience under Governmental and non-Governmental. Under Governmental, list all phases of accounting operations experienced, such as fiscal accounting (finance and cost), disbursing, vouchering, auditing, and include years of experience and highest grade held in each phase. III Recommendation. The proposed Finance and Accounting Officer should be recommended for approval on the Qualification Statement by the installation Comptroller. IV Qualification Statement. The installation Personnel Officer should state on the Qualification Statement that the qualifications of the above-named applicant meet Civil Service requirements for the title, code and grade of the position of Finance and Accounting Officer, \_\_\_\_\_ installation.

d. Appointment of Deputies. Section II, Chapter 2, AR 37-103. will be followed in the appointment of deputies. One or two years' experience as a deputy special disbursing agent will go far toward satisfying the Chief of Finance as to the qualifications of an otherwise qualified nominee for assignment as finance and accounting officer (special disbursing agent). Accordingly, an employee should not normally be designated deputy special disbursing agent unless it is anticipated at the time of designation that the deputy may ultimately become the principal.

e. Appointment of Class "A" and "B" Agent Officers. Commanding Officers of Corps of Engineers installations and activities are authorized to appoint commissioned or warrant officers to act as agents for Finance and Accounting Officers (Special Disbursing Agents) under the provisions of Chapter 15, AR 37-103.

f. Appointment of Cashiers for Working Groups. Commanding Officers of Corps of Engineers installations and activities are authorized to appoint cashiers for working groups under the provisions of paragraph 2-52b, AR 37-103.

\* (1) Mechanical check signing equipment, including signature dies, will be requisitioned from U. S. Army Finance and Accounting Center (FINCY) Indianapolis, Indiana 46249 in accordance with paragraph 2-80, AR 37-103, except as provided in (2) below. In certain instances USAFAC may authorize local procurement of the equipment. \*

(2) Where mechanical check signing equipment is available for use in connection with the disbursement of civil funds it may also be used for military. In such instances the signature dies used for military checks will be procured locally. The same border design used for civil signature dies will be used for the military, except that "United States Army" and "Special Disbursing Agent" will be substituted for "Corps of Engineers" and "Disbursing Officer" in the upper and lower margins, respectively. Consecutive numbers beginning with "1", including both military and civil in the same series, will be shown in the lower left-hand corner of the border to designate the signature dies acquired.

(3) Where a signature die is procured locally, sixteen specimens of the facsimile signature produced by the die will be furnished HQDA (DAEN-ECF-A) WASH DC 20314 for approval of the Treasurer of the United States. These specimens will be on plain white paper about the size, weight and thickness of a Treasury Check. Two of these specimens will be certified manually by the special disbursing agent as follows:

"I certify that this is a true specimen of my official signature to be affixed by machine to checks drawn on the Treasurer of the United States under any symbol number now or hereafter assigned to me."

\_\_\_\_\_  
(Sign here the same as on the plate)

(4) No check will be signed with the signature dies until approval of the facsimile signature has been received.

- h. Deficiencies in Finance and Accounting Officers' Accounts.  
\* HQDA (DAEN-ECF -A) WASH DC 20314 will be furnished a copy of notification of irregularity or deficiency submitted to U. S. Army Finance and Accounting Center (FINCY) Indianapolis, Indiana 46249, in accordance with paragraph 3-152. AR 37-103.

1-7 Records Management. Standards for disposition of accounting records generated by this system are published in AR 340-18-3. \*

1-8 Mechanization.

a. The methods prescribed in the manual contemplate the maintenance of accounts on conventional bookkeeping machines or on manually posted records, since these are the methods used by most installations. Where other methods are in use or planned, the Chief of Engineers will give full consideration to deviation requests to permit efficient utilization of these other recordkeeping methods. Prerequisites for the installation of automatic data processing (ADP) and electrical accounting machine (EAM) methods are included in ER 18-1-2, the provisions of which should be followed.

b. Proposals for installation of ADP and EAM equipment will describe deviations from prescribed methods in sufficient detail to enable evaluation in the Office, Chief of Engineers. Approval of the proposal will constitute authority to depart from prescribed methods to that extent. Further specific approval by the Chief of Engineers will not be required so long as specified accounting controls are retained and the content of internal forms and reports is not altered. Expansion or add-on of additional routines which were not included in the original proposal will require approval of the Chief of Engineers. To illustrate, machine listings reflecting voucher numbers, amounts, appropriation and general ledger accounts affected encompassed in the approved ADPS may be substituted for prescribed accounts receivable and accrued expenditure register forms without additional Chief of Engineers approval; however, a revised procedure

ER 37-345-10  
Change 23  
20 Aug 76

\* involving the elimination of these records or any significant item of data thereon must be reviewed and approved by the Chief of Engineers prior to its implementation. In every instance, authority must be obtained for the revision of external report forms, such as the ENG Form 3018c report. \*

c. The policy stated in the preceding sub-paragraphs a and b will be followed also when accounting operations are applied to existing installed ADP or EAM equipment. Applications which involve deviations from approved forms and procedures will be presented to the Chief of Engineers for approval prior to their implementation.

\* 1-9 (Rescinded.)

Chapter 2

General Ledger Accounts

2-1 Chart of general ledger accounts. The following classification of general ledger accounts is prescribed use by Corps of Engineers Divisions and Districts. New accounts will not be added without the prior approval of the Office, Chief of Engineers:

ASSET ACCOUNTS

Available Funds

- 1000 Disbursing Officer's Cash
- 1010 Unapplied Approved Operating Budget Resources
- 1020 Funds with Treasury

Accounts Receivable

- 1100 Accounts Receivable

Inventories

- 1327 Work in Process, Contractors' Plants
- 1328 Work in Process, Other Government Plants

Advances Issued

- 1401 Advances to Travelers
- 1411 Advances to Contractors and Suppliers
- 1412 Advances to Industrial Fund Installations
- 1421 Working Fund Advances

Fixed Assets

- 1701 Land
- 1702 Improvements to Land
- 1715 Buildings and Structures
- 1721 Utility Distribution and Sanitary Systems
- 1731 Production Equipment
- 1747 Other Capital Equipment

Real Estate Acquisition and Construction Work - Current Program

- 1801 Work in Progress - Real Estate Acquisition and Construction
- 1802 Completed Work, Current Fiscal Year - Real Estate Acquisition and Construction

Unapplied Construction Costs - General

- 1811 Construction Materials and Supplies
- 1812 Construction Facilities and Equipment
- 1813 Operation and Maintenance of Construction Facilities and Equipment
- 1814 General Overhead
- 1819 Other Unapplied Costs

ER 37-345-10  
Change 11  
11 Aug 70

LIABILITY AND OTHER CREDIT ACCOUNTS

Accounts Payable and Accrued Liabilities

2100 Accounts Payable  
2120 Contract Payments Withheld (Retained Percentage)  
2201 Accrued Payroll  
2400 Unapplied Deposits

Accrued Civilian Annual Leave

2810 Accrued Annual Leave, Cumulative  
2811 Accrued Annual Leave, Current  
2812 Accrued Annual Leave, Prior  
2813 Accrued Annual Leave Used

Cumulative Depreciation

2892 Cumulative Depreciation - Construction Facilities and Equipment  
(Unapplied Construction Costs - General)

Civil Service Retirement Contributions

2901 CSR&D Fund Deductions, Current  
2902 CSR&D Fund Deductions, Prior  
2903 CSR&D Fund Deductions, Cumulative (DR)

INVESTMENT OF THE UNITED STATES

3002 Capitalized Assets  
3011 Net Investment From Appropriations  
3012 Expended Allotments  
3013 Appropriation Revenues  
3014 Deposits to Treasury  
3018 Appropriation Reimbursements Collected  
3021 Gains from Donations  
3031 Loss due to Donations  
3043.- Military Personnel Services  
    -.1 Organic  
    -.2 Billed by Others  
    -.3 Other Service Personnel  
3051.1 Transfers Without Reimbursement - Costs  
3051.2 Transfers Without Reimbursement - Other  
3052 Transfers of Accounts Receivable  
3121 Adjustment to Prior Years Operations

Unexpended Appropriations

4301.- Operating Resources Currently Available  
    -.1 O&MA  
    -.2 Military Personnel  
4302.- Operating Resources Authorized Subsequent Periods  
    -.1 O&MA  
    -.2 Military Personnel  
4501 Uncommitted Allotments  
4502 Reserve for Receipt of Orders  
4601 Unobligated Commitments  
4801.- Undelivered Orders  
    -.1 Current Year;   -.2 Prior Years

Reimbursable Orders

4731 Orders Received  
4732 Unfilled Orders  
4733 Reimbursements Earned

INTEROFFICE ACCOUNTS

5201 Disbursements from Completed Suballotments Received (Cr)  
5251 Disbursements from Completed Suballotments Issued (Dr)  
5351 Costs under Suballotments Issued (Cr)

INCOME ACCOUNTS

6051 Sales - Noncommercial  
6799 Undistributed Miscellaneous Income

EXPENSE ACCOUNTS

7000 O&MA Expenses  
7199 Undistributed Expenditures  
7822 Accounts Receivable Charged Off

2-2 Descriptions of general ledger accounts. Descriptions of the general ledger accounts are furnished below. The posting chart indicates the entries of transactions in these accounts.

Available Funds. The accounts in this group represent the fiscal resources of the installation available for execution of its mission as established by specific fund authorizations and for liquidation of liabilities, including deposit liabilities, incurred in the course of operations. These accounts do not include the fiscal resources represented by open allotments or restricted open allotments available without specific limitation as to amounts. The resources represented by these accounts are not identified by appropriation or other source of the funds involved. Such identification will be reflected in the liability and undistributed appropriation accounts. The balances reflected in these accounts represent actual cash and realized or potential checking authority. The latter represents the equivalent of the balance of available funds which have not been converted into actual cash.

1000 Disbursing Officer's Cash. This account shows the amount of money for which the installation (and the finance and accounting officer, personally) is accountable. It represents the balance of monies received by the finance and accounting officer which have not been disbursed, deposited, or transferred by him to another disbursing officer. This account is maintained as a control over subsidiary records represented by the check register, cash blotter, and subsidiary individual accounts showing the total cash accountability of the finance and accounting officer, including amounts on authorized deposit with limited depositaries; amounts of negotiable instruments on hand; amounts in the hands of agents, etc., as provided in AR 37-103. In addition, finance and accounting officers are responsible for submitting reports of transactions involving their disbursing officer's cash by appropriation, fund, and subsidiary accounting classification as set forth in AR 37-108. Accordingly, subsidiary records

will be maintained to facilitate the preparation or the prescribed disbursement and receipt reports. These subsidiary records will, in general, be represented by records required to support other general ledger accounts, namely: Accounts 2400, 3012 minus 2201 and that portion of 2100 payable from installation allotments, 3013, 3014 and 3018. In addition, to complete the analysis of disbursing officer's cash transactions, a "transactions for others" subsidiary ledger showing the appropriations charged or credited for disbursements or collections made by the installation for others will be maintained. Adjustment documents (SF 1097 and DA Forms 14-104) validated by the installation will be posted to these subsidiary records, notwithstanding they do not affect the balance of Account 1000, but do affect the prescribed reports.

1010 Unapplied Approved Operating Budget Resources. This is normally a debit balance account representing the unapplied balance of operating resources received in AOB during the fiscal year, net of anticipated automatic reimbursement authority reflected in the AOB. The account is initially charged with the amount of the AOB, and reduced by the O&MA obligation authority available for the current quarter. The account is also credited for military personnel expense applied to O&MA activities. Thus, the account balance includes O&MA obligational authority for future quarters, and unapplied military personnel services authority for future periods.

1020 Funds with Treasury. This is a summary account, normally with a debit balance, which together with the disbursing officer's cash account shows the undisbursed balance of allotments specifically identified with the installation. The account is initially charged with the amount of specific fund authorizations received. Its balance is reduced by the total amount of checks issued for the month representing charges against appropriation and fund accounts and by payments by others for the installation. Its balance is increased by additional fund authorizations, the amount of confirmed deposits for the month, and by payments for others. The relationship between accounts 1000 and 1020 may be stated as follows:

The net total of the balances in these accounts must equal the net total of accounts 11401 (excluding advances from Air Force specific allotments), 1411, 2100 (excluding open allotment accounts payable), 2120, 2201, 4501, 4601, and 4801 and the collected and unapplied portion of the unapplied deposits account (2400). Thus, any transaction which affects the balance in one of these accounts (1000 or 1020) must at the same time affect the balance of the unexpended appropriation accounts, accounts payable or the collected but unapplied deposits account, or it must have an opposite effect on the other account. Similarly, any transaction affecting unexpended appropriations, accounts payable or the collected but unapplied portion of the unapplied deposits account must affect one or the other of the available funds accounts. Account 1020 may reflect a debit balance, indicating that disbursing officer's cash held by the installation is less than the funds available to the installation; or it may reflect a credit balance, indicating that disbursing officer's cash held by the installation is in excess of the installation's requirements as set forth under "Available Funds", above. That

excess will be utilized to discharge the strictly disbursing mission of the installation of effecting payments chargeable to open allotments and payments for others. No subsidiary accounts are required in support of accounts 1000 or 1020.

1100 Accounts Receivable. This is a debit balance account representing amounts due the installation. It controls the file of uncollected bills and will be supported by accounts in the cost ledger by projects. This account will include amounts due as the result of sales of services and property, including sales for cash which are for appropriation reimbursement; and amounts owing to the installation as the result of miscellaneous claims of the Government against individuals or organizations, such as amounts due with respect to property lost or damaged, interest on advances to contractors, taxes imposed on buyers for collection and refund to the taxing authority by the seller, refundable terminal leave payments, etc. Amounts due as the result of overpayments of accounts payable will be included herein. Amounts due as the result of advances or progress payments will not be reflected herein, inasmuch as the asset will have been recorded in the advance, progress payment, or work in progress accounts. This account will not include amounts due as collections when recorded on the military pay record, such as indebtedness for overpayment, Soldiers' Home contributions, Government property lost or damaged, fines, etc. However, claims established, when not recorded on the military pay record, or against other individuals or carriers pursuant to findings and recommendations in Reports of Survey, will be recorded in these accounts. Amounts due which are for credit to 599-999 accounts or miscellaneous receipt accounts and which by administrative directive will be collected at a central or designated installation other than that at which the charge originated will be reflected in this account originally and transferred as a charge to Account 3052, Transfers of Accounts Receivable.

\* 1327 Work in Process, Contractors' Plants. This is a debit balance account maintained to show the amount of contractors' accumulated costs, including retained earnings for uncompleted work at contractors' plants. Debits to this account will be based on administratively approved requests for progress payments. Credits will be based on evidence of receipt of completed work. \*

\* 1328 Work in Process, Other Government Plants. This is a debit balance account maintained to show the amount of progress payments made to other Government agencies for uncompleted work. Debits will be based on approved requests for progress payments; credits will be based on evidence of receipt of completed work. \*

Advances Issued. This group of accounts shows the outstanding balances of authorized payments to travelers, contractors, suppliers or other Government agencies in advance of the performance of service or contract by the payee.

1401 Advances to Travelers. This account shows the outstanding amounts of advances to travelers under AR 37-108. It includes advances made by any installation which are identified by the installation's fiscal station number. This account is a control over subsidiary accounts maintained by individual traveler on Standard Form 1038 (Application and Account of Advanced Funds). The balance in this account will equal the sum of the balances in the special allotment accounts in the allotment ledger identified by the project symbol P930, plus the balances in cost accounts 778, disregarding the fact that the P930 account balances are credit.

1411 Advances to Contractors and Suppliers. This account shows the outstanding amount of advances to contractors under AR 37-108. It includes advances made by any installation from the special allotment and project accounts established for the purpose which are identified by the installation's fiscal station number. This account is a control over subsidiary accounts maintained by individual contractor and contract on DA Form 4522 (Record of Advance Payments). The balance in this account will equal the sum of the balances in the special allotment accounts in the allotment ledger identified by the project symbols P940, P941, P942 and P991 (AF Funds).

1412 Advances to Industrial Fund Installations. This account shows the outstanding amount of advances made to industrial fund installations under the provisions of Chapter 5, Sec IV, AR 37-108. The balance in this account will equal the balance in the special allotment accounts in the allotment ledger identified by the project symbol P943.

1421 Working Fund Advances. This account shows the outstanding amount of advances to other Government agencies for the financing of services for the installation. Such advances require the prior approval of the Chief of Engineers. This account will also include intradistrict advances to the Revolving Fund or other funds. This account will be supported by cost account 780 maintained for each project.

Fixed Assets. The accounts in this group are debit balance accounts showing the value at cost or other basis as determined by applicable directives and regulations, of real property and capital equipment in the accountability of District and Division Commanders (exclusive of TOE property issued to TOE activities, issues of equipment to be installed and become part of a building (Installed Building Equipment, para 2-3d, AR 735-20); and issues of nonconsumable property authorized to be transferred with a TD unit) including that in the hands of Army contractors used in contract operations or layaway plans not intended for sale or consumption. The 1700 series of accounts will exclude the property which is included in the 1800 series for real estate acquisition and construction.

1701 Land. This account shows the investment in land owned, including Government-owned land leased to other agencies or parties, and land leased by the Government from other agencies or parties, exclusive of improvements.

1702 Improvements to Land. This account shows the investment in improvements such as roads, driveways, sidewalks, public thoroughfares, airfields, runways, etc., which are permanently annexed or attached to land owned by the Government and improvements made by contractor or Department of the Army to land leased from others.

1715 Buildings and Structures. This account shows the cost of buildings, permanent, semipermanent or temporary, and structures, e.g., portable buildings, sheds, storage tanks, reservoirs, wells and standpipes, dykes, retaining walls, piers, wharves, tunnels, and railroad trackage.

1721 Utility Distribution and Sanitary Systems. This account shows the cost of utility distribution and sanitary systems such as electrical distribution lines, telephone and telegraph systems, gas and water mains, sanitary and storm sewer systems, etc.

\* 1731 Production Equipment. This account shows the cost of Government-owned equipment and machinery specified in AR 700-43 for reporting to the Defense Industrial Plant Equipment Center (DIPEC). The costs of all other production equipment will be recorded under account 1747, Other Capital Equipment. \*

1747 Other Capital Equipment. This account shows the value of all equipment of a capital nature other than that included in account 1731, Production Equipment.

Real Estate Acquisition and Construction Work - Current Program. The accounts in this group are debit balance accounts showing status of real estate acquisition and construction work performed under the current work program. These accounts will reflect the total net applicable accrued costs, and will be supported by subsidiary cost accounts maintained for each project.

1801 Work in Progress - Real Estate Acquisition and Construction. This account shows the total net costs of specific projects under way and uncompleted, and adjustments to costs of prior years' completed work. It is the control account for the project cost accounts maintained for current program line items and undistributed project costs. This account is credited with amounts of completed line item costs transferred to account 1802, Completed Work, Current Fiscal Year -Real Estate Acquisition and Construction.

1802 Completed Work, Current Fiscal Year - Real Estate Acquisition and Construction. This account shows the net total costs of current program line items of work completed in the current fiscal year. It is debited with the costs of those line items completed in the fiscal year. This account is closed into Account 3011 at the end of each fiscal year.

Unapplied Construction Costs - General. The accounts in this group will reflect costs of a deferred or distributive nature which when incurred cannot be related to a specific project. The accounts are credited on the basis of issues or usage, at which time charges are made to the appropriate account controlling the project benefited. The use of this group of accounts is generally restricted to overseas districts not operating with the Revolving Fund, Corps of Engineers. Similar costs applicable to specific projects will be included under Account 1801 Work in Progress, Real Estate Acquisition and Construction.

1811 Construction Materials and Supplies. This control account shows costs of materials and supplies, which cannot be identified with and/or charged to a specific project at time of receipt.

1812 Construction Facilities and Equipment. This control account shows costs of construction facilities and equipment (e.g. temporary buildings, temporary roads, sidings, yards, mobile construction plant, tools and equipment) which cannot be charged to a specific project at the time of receipt.

1813 Operation and Maintenance of Construction Facilities and Equipment. This control account shows the operations and maintenance costs of the construction facilities and equipment carried in account 1812. Depreciation or amortization of the facilities and equipment carried in  
\* account 1812 is charged to this account with contra credit to account 2892. Any income resulting from the operation of construction facilities and equipment, such as rental for temporary quarters, townsites, subsistence, sale of temporary utility services, etc., is credited to this account.

1814 General Overhead. This control account shows unapplied general overhead costs which cannot be identified with and/or charged to a specific project at the time they are incurred.

1819 Other Unapplied Costs. This control account shows deferred or distributive costs which cannot be identified with and/or charged to a specific project at the time they are incurred, other than the costs included in accounts 1811 through 1814.

Accounts Payable and Accrued Liabilities. The accounts 2100, 2120 and 2201 in this group will reflect the actual or estimated accrued liabilities for disbursement from installation allotments or open allotments. They are supported by files of unpaid documents and data in the allotment accounting records. They are debited with amounts of disbursements made, and are adjusted to actual liability upon payment.

\* 2100 Accounts Payable. This account shows unpaid liabilities resulting from the receipt of goods and services, and amounts of liquidated damages pending final determination by Contracting Officer exclusive of contract payments withheld (retained percentage) (account 2120) and personal services (Account 2201). \*

2120 Contract Payments Withheld (Retained Percentage). This account shows amounts of earnings withheld from contractors pending completion and acceptance of work covered by the contract. This account will be supported by subsidiary accounts maintained by contract to reflect cumulated withholdings.

2201 Accrued Payroll. This account shows unpaid liabilities for the gross earnings of civilian employees.

2400 Unapplied Deposits. This account shows the accrued liability of the installation for the proceeds of accounts receivable which will be for credit to unapplied deposits identified with the installation (citing the installation's fiscal station number); and the firm liability of the installation for collections credited to unapplied deposits identified with the installation. Subsidiary records will show symbol numbers of accounts to be credited and the contingent or firm nature of the liability involved. This account includes deposits on bids, withheld income tax, collections for sale of U. S. Savings Bonds, and for the employees' and Government's shares of FICA taxes and contributions to the life insurance, health benefit, and civil service retirement and disability funds, etc. This account is a control over subsidiary records which will be designed to differentiate between the accrued liability for outstanding accounts receivable which are for credit to unapplied deposits, and the firm liability for funds collected and credited to unapplied deposits; accumulate net collections by deposit fund account differentiated as to net collections by the installation and net collections by others; and accumulate the unapplied balance of collections by remitter and/or purpose. This account will be

debited with payments and refunds of amounts from unapplied deposits, and transfers out or charge-offs of accounts receivable which were classified for credit to this account, Contra: 3052 or 7822.

Accrued Civilian Annual Leave. This group of accounts (2810, 2811, 2812 and 2813) is designed to reflect the unfunded liability of unused accrued leave and the cost of leave taken during the year for civilian employees. These accounts comprise a self-balancing group. The accrued annual leave liability will be established at the current pay rate in effect for each individual multiplied by the number of unused leave hours due each employee as of the last day of the complete pay period in June and the last day of the leave year. These accounts will not be used by offices maintaining accrued leave accounts under Revolving Fund, Corps of Engineers.

2810 Accrued Annual Leave, Cumulative. This account is a debit balance account maintained to show the contingent liability for unused accrued annual leave. The balance in this account equals the sum of the balances in accounts 2811, 2812 and 2813.

2811 Accrued Annual Leave, Current. This is a credit balance account maintained to show the value of annual leave earned by employees in the current period, and the appreciation in changes in value due to transfers of employees in (or out), and changes in value of annual leave accumulated in prior years. Balance of this account is closed into account 2812 at the end of each fiscal year.

2812 Accrued Annual Leave, Prior. This is a credit balance account maintained to show the cumulative unfunded liability for unused accrued annual leave at beginning of current fiscal year.

2813 Accrued Annual Leave Used. This is a debit balance account maintained to reflect the value of annual leave taken during the current fiscal year. Balance of this account is closed into account 2811 at end of each fiscal year.

2892 Cumulative Depreciation - Construction Facilities and Equipment (Unapplied Construction Costs). This control account shows the periodic depreciation or amortization (loss in service value) of construction facilities equipment acquired for general purposes for which the cost is reflected in account 1812, due to wear, obsolescence, technological inadequacy or other impairment of value through physical processes and which service value is not restored by current maintenance or repair over the economically useful life of the assets.

Civil Service Retirement Contributions. These accounts are for the use of installations performing payroll accounting and not operating under ER 37-2-10, Financial Administration, Accounting and Reporting, Civil Works Activities. This group of accounts (2901, 2902 and 2903) is designed to summarize financial data with respect to civil service retirement and disability fund deductions applicable to currently employed civilian employees of the installation paid from military funds available to the installation. Unless the retirement records of the employees involved are maintained by the installation making the deduction, deductions for civil service retirement and disability made in connection with payments for others will not be included in these accounts. These accounts are maintained in the liability section to show the amounts owed to civilian employees for their contributions to the civil Service retirement and disability fund. These accounts comprise a self-balancing group. Installations operating under KR 37-2-10 will continue to record retirement deductions for employees on Military payrolls as prescribed therein.

2901 CSR&D Fund Deductions, Current. This account shows the amount of retirement deductions collected by the installation in the current calendar year. This account is debited with amounts of current year deductions to the credit of civilian employees transferred out or separated. The balance in this account should equal the amount reflected in the Civil Service retirement column of the individual earnings records of active employees. The balance in this account is transferred the close of the calendar year to Account 2902.

2902 CSR&D Fund Deductions, Prior. This account shows the cumulative deductions to the credit of civilian employees of the installation with the exception of current year deductions. It is credited with the amounts of deductions to the credit of civilian employees transferred in from other Department of the Army installations and with year end balances transferred from Account 2901. It is debited with amounts to the credit of civilian employees for prior years transferred out or separated during the year. The balance in this account should equal the amount reflected on the individual Retirement Records (SF 2806) by the installation.

2903 CSR&D Fund Deductions, Cumulative (Dr). This control account

shows the cumulative amount of retirement fund deductions to the credit of civilian employees of the installation. This account is debited with deductions to the credit of civilian employees transferred in from other Department of the Army installations and current deductions made by the installation with respect to its civilian employees. It is credited with the amount to the credit of civilian employees transferred out or separated. The balance in this account will equal the balances in accounts 2901 and 2902.

Investment of United States. The accounts in the 3000-series show an analysis of the equity of the United States in the assets of the installation with respect to utilization and application of appropriated funds; and capital transfers or adjustments resulting from donations, transfers of assets or liabilities, or revenue not available to the installation. The net balance of these accounts is exclusive of that portion of available funds representing undisbursed appropriations.

3002 Capitalized Assets. This credit balance summary account shows the value of fixed assets in the 1700 series of accounts at the time of implementation of financial accounting for fixed assets. It also includes increases or decreases in fixed assets due to adjustment of errors in original capitalization.

3011 Net Investment from Appropriations. This is a credit balance summary account representing that portion of the investment of the United States in the assets of the installation which are derived from the conversion of appropriated funds and were not consumed, transferred, or otherwise disposed of in the course of operations. This account will be a fiscal year end clearing account for the following capital accounts representing summaries of operations and capital transfers: 1802, all other accounts in the 3000 series, except 3002, and all accounts in the 5000, 6000, and 7000 series.

3012 Expended Allotments. This account shows the net accrued expenditures made during the current fiscal year from appropriated funds available to the installation. This account will include the net increase in accounts payable, and net disbursements made by the installation - -

- (1) Or by others with respect to allotments, suballotments, and similar authorizations made in specific amounts to the installation;
- (2) From Department the Army open allotments;
- (3) By others with respect to restricted open allotments available to the installation without specific liabilities as to amount; and

- (4) From the deposit fund disbursement accounts (Chapter 4, AR 37-100).

This account will not include net disbursements made by the installation from appropriated funds available to other installations (identified by the fiscal station number of another installation), nor net disbursements made by the installation from open allotments with respect to appropriations administered by other departments. With respect to the activities referred to in (2), (3), and (4) above, the available funds accounts (Accounts 1000 and 1020) of the installation do not include funds for these purposes. Upon utilization of available funds for these purposes, under the accounting treatment accorded such transactions, (viz: Dr 1801 or 7199, Cr 1000; Dr 1020, Cr 3012) the debit to account 1020 will automatically increase the funds available to the installation by the amount the funds have been decreased by disbursements credited to account 1000. Thus, the available funds of the installation are not impaired. This account will be a control over, and will be supported by, subsidiary accounts maintained in such detail as required to prepare prescribed fiscal and disbursement accounting reports. These subsidiary accounts comprise the current fiscal year accrued expenditure data contained in the allotment ledger and open allotment ledger. The accrued expenditure data in these ledgers will be maintained in a manner which will clearly differentiate between disbursement transactions by others and transactions affecting the disbursement accounting reports prescribed in AR 37-108. This account will be closed into account 3011 at the end of each fiscal year.

3013 Appropriation Revenues. This account shows the departmental revenue earned or collected by the installation during the current fiscal year but not available to the installation. This account will include net collections made by the installation - -

- (1) For Department of the Army general S99-999 appropriation reimbursements; and
- (2) For Department of the Army deposit fund receipt accounts (AR 37-100).

This account will be a control over accounts in the cost ledger and subsidiary records (appropriation revenue ledger) maintained in such detail as required to prepare prescribed fiscal and disbursement accounting reports. The data in this ledger will be maintained in a manner which will clearly differentiate between transactions by others and transactions affecting the disbursement accounting reports prescribed in AR 37-108. This account will be closed into account 3011 the end of each fiscal year. Funds collected by the installation for credit to these accounts are not available to the installation for obligation purposes. The monies are retained, however, for general disbursing purposes. The accounting treatment accorded such transactions result in affecting the transfer

of the funds to the departmental level where they are available (Dr: 3013: Cr: 1000) and the reacquisition of the cash as an advance of funds (Dr: 1000: Cr: 1020).

3014 Deposits to Treasury. This account shows the Governmental revenue earned or collected by the installation during the current fiscal year but not available to the installation. This account covers collections made by the installation for credit to miscellaneous receipt accounts. This account will be a control over accounts in the cost ledger and subsidiary records (miscellaneous receipts ledger) maintained by individual miscellaneous receipt account classification. This account should not normally contain any transactions by others. This account will be closed into account 3011 at the end of each fiscal year. The proceeds of collections for credit to miscellaneous receipt accounts are not physically deposited to the Treasury, but are retained for general disbursing purposes. The accounting treatment accorded such transactions accomplishes, simultaneously and on paper only, the deposit of the proceeds (Dr: 3014: Cr: 1000) and the reacquisition of the cash as an advance of funds (Dr: 1000: Cr: 1020).

3018 Appropriation Reimbursements Collected. This is a debit balance control account showing the installation appropriation reimbursements collected by the installation, or by others, but set available to the installation. It is supported by the reimbursements collected column of the appropriation reimbursements ledgers.

3021 Gains from Donations. This control account shows the amount of property or services donated to the installation from sources outside the Department of Defense. This account will be closed into account 3011 at the end of each fiscal year.

3031 Loss due to Donations. This control account shows the amount of assets (other than monetary) donated to individuals or outside organizations outside the Department or Defense. This account will be closed into account 3011 at the end of each fiscal year.

3043.- Military Personnel Services -. These credit balance control accounts shows the value of military personnel services (including allowances) included in programmed costs. These accounts will be closed into account 3011 at the end of each fiscal year.

3043.1 Military Personnel Services - Organic. This account will include all military labor expenses other than those reflected below.

3043.2 Military Personnel Services - Billed by Others. This account will include those memorandum military labor expenses reflected on billing documents received from performing installations.

3043.3 Military Personnel Services - Other Service Personnel. This account will include those military labor expenses that result from other service personnel (Air Force, Navy, Marine Corps) assigned to Army.

The above accounts (3043.-) will be further subdivided by appropriation to which the military personnel services are related, e.g., O&MA, MCA, MCAF.

Transfers Without Reimbursement. Accounts are maintained under this heading to reflect the net transfers of capital in the form of property, services, and accounts receivable, without reimbursement, exclusive of those included in accounts 3021 and 3031.

3051.1 Transfers Without Reimbursement - Costs. This control account shows the net transfers of property or services related to current work between components of the Department of Defense. This account may reflect a debit balance indicating an excess of transfers to other installations or a credit balance indicating the reverse. This account will be closed into account 3011 at the end of each fiscal year.

3051.2 Transfers Without Reimbursement - Other. This is a control account reflecting net transfers of capital equipment (contra 1731 and 1747) between components of the Department of **Defense**. This account may reflect a debit balance indicating an excess of transfers from other installations or a credit balance indicating the reverse. This account will be closed into account 3011 at the end of each fiscal year.

3052 Transfers of Accounts Receivable. This control account shows the net transfers of receivables and uncollected advances between components of the military establishment. This account will include transfers due to movement of individual debtors; transfers with respect to receivables for credit to 599-999 accounts and miscellaneous receipt accounts which are transferred for collection or other appropriate action at a central point (e.g.) at the Finance Center, U.S.A.) by administrative direction; and transfers of delinquent accounts receivable in accordance with AR 37-108. This account will normally reflect a debit balance except at the collection points, where it will reflect a credit balance. This account will be closed into account 3011 at the end of each fiscal year.

3121 Adjustments to Prior Years Operations. This is a debit or credit balance account maintained to reflect adjustments in expenses incurred in prior year operations. No subsidiary account is maintained for these adjustments, nor will prior-year cost records be adjusted.

Unexpended Appropriations. The accounts in this group are credit balance accounts showing the status of an installation's resources acquired through the budgetary processes. This includes authorizations received in specific amounts by means of allotment, suballotment, or similar authorization identified by the installation's fiscal station number. The term "installation allotments" is used to designate these authorizations. (These accounts do not include open or open restricted allotments.) The accounts are designed to provide administrative control over these resources; and to show the status thereof with respect to the balance available for initiating additional procurement of services, supplies, or equipment and the balance reserved for completion of such actions or liquidation of the resulting liability. The resources are identified in subsidiary records by appropriation and such additional subsidiary accounting classification as prescribed.

Operating Resources Available. The accounts in this group are credit balance accounts maintained to show the status of an installation's available resources authorized by the AOB.

4301.1 Operating Resources Currently Available, O&MA. This account is a credit balance account maintained to show the currently available amount of O&MA Obligational Authority, exclusive of anticipated automatic reimbursements, received in the AOB and adjustments thereof during the fiscal year.

4301.2 Operating Resources Currently Available, Military Personnel. This account is a credit balance account maintained to show the current availability of Military Personnel Expense authorization reflected in the AOB for the fiscal year.

4302.1 Operating Resources Authorized Subsequent Periods, O&MA. This is a credit balance account maintained to show the balance of O&MA obligational authority authorized in AOB for use in subsequent quarters of the fiscal year.

4302.2 Operating Resources Authorized Subsequent Periods, Military Personnel. This is a credit balance account maintained to show the balance of Military Personnel Expense Authorization as reflected in AOB applicable to subsequent quarters of the fiscal year.

4501 Uncommitted (Unobligated) Allotments. This account shows the amount available to the installation for incurring commitments (obligations) chargeable to installation allotments. The account is a control over subsidiary records maintained by allotment account or other appropriate subsidiary accounting classifications. The credit balance of the account represents the uncommitted (unobligated) balance of installation allotments, or the differences between the allotments received and the commitments (obligations) incurred.

4502 Reserve for Receipt of Orders. This account shows the balance of funded reimbursement obligation authority included in allotments but not available pending the receipt of related orders. It is supported by the appropriation reimbursements ledgers as the difference between the reserve and the funded orders received columns.

4601 Unobligated Commitments. This account shows the balance of commitments formally established as firm administrative reservations of funds. The account is a control over subsidiary records maintained by allotment account or other appropriate subsidiary accounting classifications. The credit balance of the account represents the unobligated commitments and is supported by unobligated commitment documents.

4801.-Undelivered Orders. This account shows the unaccrued balance of obligations incurred chargeable to installation allotments. This account is a control over subsidiary records maintained by allotment account and prescribed subsidiary accounting classification, as represented by the undelivered contracts and orders, or the differences between the obligations incurred accounts and the expended allotment accounts (disbursements and accounts payable) in the allotment ledger. For O&MA, this account

will be subdivided as follows: -.1 Undelivered Orders, Current Year, and -.2 Undelivered Orders, Prior Years. As of 1 July, the balance in -.1 will be transferred to -.2.

Reimbursable Orders. This group of self-balancing accounts shows the status of reimbursable orders received and accepted by the installation. The effect of orders received is reflected in the budgetary accounts as increases in available funds. These accounts are supported by the appropriation reimbursements ledgers, allotment accounts for the orders received, and document files in which the details of the orders are recorded.

4731 Orders Received. This is a credit balance control account showing the orders received during the current fiscal year and orders carried forward from the preceding year. It is supported by the orders received columns of the appropriation reimbursements ledger. The balance in this account equals the sum of the balances in accounts 4732 and 4733.

4732 Unfilled Orders. This is a debit balance control account showing the balance of orders received which have not yet been completed through performance of services or delivery of supplies to the ordering agency.

4733 Reimbursements Earned. This is a debit balance control account showing the total amount of reimbursements earned under reimbursable orders in the current fiscal year. It is supported by the reimbursements earned columns of the appropriation reimbursements ledger. It is closed into account 4731 at the end of each fiscal year.

Interoffice Accounts. This group or accounts includes a pair of clearing accounts (5201 and 5251) designed to adjust the disbursed allotment accounts of suballotors and suballottees for completed suballotments, to conform with the adjustment to the allotment ledger thereby transferring a summary of the transactions into the allotment records of the installation accountable for the underlying allotments (AR 37-108). The entries with respect to accounts 5201 and 5251 will be made by suballotter and suballottee in the same accounting period, so that the accounts will "wash" overall. Also included in this group is credit balance account 5351 Cost Under Suballotments Issued to offset amounts included in costs of work.

5201 Disbursements from Completed Suballotments Received. This is a credit balance, summary account showing the total of suballotments received which have been completed and closed out during the current fiscal year, or annual transactions as provided in AR 37-108. This account will be closed into account 3011 at the end of each fiscal year.

5251 Disbursements from Completed Suballotments Issued. This is a debit balance, summary account showing the total of suballotments issued which have been completed and closed out during the current fiscal year, or annual transactions as provided in AR 37-108. This account will be closed into account 3011 at the end of each fiscal year.

5351 Costs Under Suballotments Issued. This is a credit balance control account showing the total costs incurred under suballotments issued which are included in costs of work. This account will be closed into account 3011 at the end of each fiscal year.

6051 Sales - Noncommercial. This account shows the income derived from reimbursements earned in connection with orders received for property disposal operations.

6799 Undistributed Miscellaneous Income. This is a credit balance control account maintained to summarize income that is not creditable to other specific accounts, such as interest on advances to contractors; refundable terminal leave payments (except amounts credited to account 1801 for collections creditable to construction appropriations); recoveries, jury service; commissions on collections at telephone pay stations; and rentals on leases of real property to others. This account will be closed into account 3011 at the end of each fiscal year.

Expense Accounts. The accounts in this group are debit balance accounts maintained to record net expenses incurred by the installations not chargeable to other specific accounts. These accounts will be closed into account 3011 at the end of each fiscal year.

7000 O&MA Expenses. This account shows the net expenses applied during the period. It is a control over the data entered in the O&MA expense ledger.

7199 Undistributed Expenditures. This control account shows net expenses incurred in carrying on activities other than those for which specific accounts are provided (e.g.: O&M activities; real estate acquisition and construction work for which specific accounts are provided). In addition to costs financed with installation allotments it will be charged with costs financed with open allotments, and values of goods and services received without reimbursement from other components of the military establishment and donated from other sources. This account will be supported by those subsidiary cost accounts which are not controlled by other general ledger accounts.

7822 Accounts Receivable Charged Off. This control account shows the amounts of accounts receivable determined to be uncollectible and charged off in accordance with AR 37-108.

2-3 Relationships between general ledger accounts and subsidiary data.  
a. Most of the general ledger accounts will be supported by subsidiary ledgers or records; or files of related documents. Some general ledger accounts will not be so supported, but entries therein will be in sufficient detail for required purposes. The principal subsidiary ledgers are of two kinds, allotment (and commitment) ledgers and cost ledgers; and each kind will be maintained separately for each project.

(1) Allotment (and commitment) ledgers (See Chapter 5) are the records of all transactions that affect the uncommitted or unexpended balances of available funds.

(2) Costs ledgers (see Chapters 6 and 7) are the records of direct allocations and indirect distributions of expenditures and earnings accrued in the performance of the Corps of Engineers mission, and offsetting and clearing accounts maintained to facilitate the reconciliation with allotment ledgers and the preparation of cost reports.

b. Certain general ledger accounts will be supported by other subsidiary records and files. The following chart is furnished to show the relationship between the general ledger accounts and the subsidiary ledgers, records and files:



<p>1813        1814        * 1819        2100        2120        2201        2400        *</p>	<p>Operation and Maintenance of Construction        Facilities and Equipment        General Overhead        Other Unapplied Coats        Accounts Payable        Contract Payments Withheld (Retained Per-        centage)        Accrued Payroll        Unapplied Deposits</p>	<p>(a) 589; 591 (Rental Payments) 592-595; 599;        796; 797        (a) 460 and 469 Series        (a) 447; 458; 465; 493; 775; 776; 798; 799;        959        Accounts Payable Column of Allotment LedRer and        Files of Unpaid Accounts Payable Documents        Subsidiary Accounts Maintained by Contract for        Each Appropriation Allotment and BAAN or BSN        Same as for CL Account 2100        Subsidiary Ledgers by Main Accounting Classi-        fications; Other Records by Purpose, Depositor        etc., as required (Section III, Chapter 3, AR        AR 37-108)        None        None        None        None        (a) Accrued Depreciation or Amortization of        Accounts: 500-588; 590; 591; 596        Civil Service Retirement Column of Individual        Earnings Records of Active Employees        SF 2806 for Installation Employees        Equals CL 2901 and CL 2902        None        At close of fiscal year: Accounts previously        subsidiary to CL 1802, all other accounts in        the 3000 series except 3002, and all accounts        in the 5000, 6000, and 7000 series</p>
<p>2810        2811        2812        2813        2892        2901        2902        2903        3002        3011</p>	<p>Accrued Annual Leave, Cumulative        Accrued Annual Leave, Current        Accrued Annual Leave, Prior        Accrued Annual Leave, Used        Cumulative Depreciation -- Construction        Facilities and Equipment (Unapplied        Construction Costs - General)        CSR&amp;D Fund Deductions, Current        CSR&amp;D Fund Deductions, Prior        CSR&amp;D Fund Deductions, Cumulative (Dr)        Capitalized Assets        Net Investment from Appropriations</p>	<p>None        None        None        None        (a) Accrued Depreciation or Amortization of        Accounts: 500-588; 590; 591; 596        Civil Service Retirement Column of Individual        Earnings Records of Active Employees        SF 2806 for Installation Employees        Equals CL 2901 and CL 2902        None        At close of fiscal year: Accounts previously        subsidiary to CL 1802, all other accounts in        the 3000 series except 3002, and all accounts        in the 5000, 6000, and 7000 series</p>

(a) These accounts relate to unapplied construction costs general. Costs of a deferred or undistributed nature which when incurred cannot be related to a specific project but are financed from a specific project\*s funds with later distribution on basis of issues or usage. These costs are generally re-stricted to districts financed completely from Military funds.

3012	Expended Allotments	Disbursements and accounts payable columns, current fiscal year, of allotment and open allotment ledgers and deposit fund disbursement accounts.
301)	Appropriation Revenues	957.2; Appropriation revenue ledger (AR 37-108)
3014	Deposits to Treasury	958.2; Miscellaneous receipt ledger (AR 37-108)
3018	Appropriation Reimbursements Collected	Appropriation reimbursements ledger
3021	Gains from Donations	947
3031	Loss due to Donations	948
3043.-	Military Personnel Services	949, 902.949, 904.949, 905.949
3051.1	Transfers without Reimbursement - Costs	940, 951, 952, 955, 956
3051.2	Transfers without Reimbursement - Other	Property Records
3052	Transfers of Accounts Receivable	957.4, 958.4
3121	Adjustments to Prior Years Operations	None
4301.-	Operating Resources Currently Available	None
4302.-	Operating Resources Authorized Subsequent Periods	None
4501	Uncommitted Allotments	Uncommitted balance column of allotment ledgers; or unobligated balance column of allotment ledgers less unobligated commitment column of commitment ledgers.
4502	Reserve for Receipt of Orders	Reserve column minus funded orders received column of appropriation reimbursements ledgers.
4601	Unobligated Commitments	Unobligated commitments column of allotment ledgers; or unobligated commitments column of commitment ledgers.
4731	Orders Received	Orders received columns of appropriation reimbursements ledgers.

4732	Unfilled Orders	Files of uncompleted orders; orders received columns less reimbursements earned columns of appropriation reimbursements ledgers.
4733	Reimbursements Earned	Reimbursements earned columns of appropriation reimbursements ledgers.
4801.-	Undelivered Orders	Undelivered orders column of allotment ledgers; files of undelivered orders
6051	Sales, Noncommercial	None
0799	Undistributed Miscellaneous Income	953; Files of bills (SF 1114b and SF 1080) during fiscal year covering income not creditable to project funds.
7000	O&M Expenses	Cost accounts for O&MA as required by AR 37-100-series.
7199	Undistributed Expenditures	751; 760; 954; Military activities other than Real Estate Acquisition and Construction Work, (accounts listed in paragraph 6-2c); Procurement activities other than Stock Fund.
7822	Accounts Receivable Charged Off	957.3; 958.3

2-4 Adjusting and Closing Entries. This system provides for the periodic adjusting or closing of certain general ledger accounts. Applicable entries are made at the end of each month, calendar year or fiscal year, through the use of Journal Entry) ENG Form 3007.

a. Month end adjusting entries are made to accomplish the following.

(1) To adjust accounts for checks issued during the month.

(2) To adjust accounts for deposits confirmed during the month.

b. Calendar year end closing entries are limited to military districts performing payroll accounting and not operating under ER 37-2-10 Financial Administration, Accounting and Reporting, Civil Works Activities. The closure affects the civil service retirement and disability funds deductions accounts. The balance in account 2901 will be closed into account 2902.

c. Fiscal Year End Closing Entries are made to accomplish the following:

(1) To close income and expense accounts into net investment account.

(2) To close interoffice accounts into net investment account.

(3) To close into net investment account the accounts representing completed work, disbursed allotments, appropriation revenues, miscellaneous receipts, transfers without reimbursement, etc.

CHAPTER 3  
Forms and Records

3-1 Bureau Voucher (Procurements). a. General. Bureau Voucher (Procurements), ENG Form 3005, also used in the Corps of Engineers civil accounting system, is prescribed as the posting medium for processing all accounts payable transactions from supporting data to cost ledgers, allotment ledgers) and the Accounts Payable Register. This form is designed for describing the transactions; indicating the financing appropriation or fund, the general ledger and subsidiary cost accounts and amounts chargeable, the total credits to accounts payable accounts and adjustments; indicating postings to the transaction registers and allotment ledgers as to amount of undelivered order liquidated) and amount actually payable; identifying the transaction by bureau voucher number, and the disbursement or adjustment voucher covering the payment therefor; and recording the names or initials of the employees-processing the voucher. The blocks on this and other voucher forms described hereinafter for "Accounting Distribution Made By" with "Date", and "Posted By" are for recording the names or initials of the employees performing the accounting classification, with the date of such action, and of those making postings to ledgers, block tickets, or registers.

b. Description of ENG Form 3005. (1) The upper portion of the form is designed for showing the names of the installation and the creditor, brief description of the goods or services received, and reference data relating the transaction to procurement records, property records, etc.

(2) Accounting Classification. This section of the form is provided for listing complete identification of cost and allotment accounts affected.

(3) Objective Class. Not applicable to military accounting system. Objective classification data will be derived from disbursement documents.

(4) General Ledger Account No. These columns are for listing the general ledger accounts to be debited or credited with the amounts (or summary totals) of Accrued Expenditures.

(5) Obligations Liquidated. Amount of outstanding undelivered orders represented by the transaction covered by the voucher. In the case of a partial shipment, this amount will be the full amount of the transaction; in the case of a "final" shipment, it will be the full or remaining portion of the obligation depending upon whether the order was filled in a single or several shipments.

(6) Accrued Expenditures.

(a) Amounts applicable to the accounts identified in "Accounting Classification" are entered in this column and should be summarized as appropriate for posting to allotment and general ledgers.

(b) Adjustments. If there are adjustments, plus or minus, subsequently determined upon voucher examination to be actually payable in amounts different from those originally vouchered, they will be indicated on the lines for each account affected. These adjustments will be summarized periodically through the use of another ENG Form 3005, which will refer to the ENG Forms 3005 originally processed for the transactions and will indicate the projects, cost accounts, general ledger accounts, etc., with the summarized adjustment amounts involved, plus or minus, as shown in the original vouchers examined and approved for payment.

(7) Audited - Amount to Pay. This section is for the voucher examiner (invoice auditor) to indicate the total amount to be paid, and his initials.

(8) Bureau Voucher Number and Date. The documents supporting the bureau voucher, and the ENG Form 3005 will be identified by the prefix "V" and a compound number. A new series of numbers will be initiated for each month with necessary fiscal year and month identification such as: VI - 77-8, denoting Oct, FY 1977, voucher No. 8; or VI2-77-8, denoting Sep, FY 1977, voucher No. 8. The date will be the calendar date of the assignment of the number. \*

(9) D. O. Voucher Number and Date. These will be the number and date of the disbursement or adjustment voucher processed to pay for the transaction.

3-2 Bureau Voucher (For Cost Transfers).

a. General. Bureau Vouchers (For Cost Transfers) ENG Forms 3006 and 3006a, also used in the Corps of Engineers Civil accounting system, will be used for transferring costs from one project to another financed with the same or different Military appropriations or funds available to the installation, and as the accounting medium for recording billing to private parties and to Government activities other than those financed by Military funds available to the installation. Separate forms will be prepared for each appropriation or fund involved. ENG Form 3006a is designed for billing (accounts receivable) transactions; and ENG Form 3006, for accounts payable transactions.

b. Description of ENG Forms 3006 and 3006a. The formats of the ENG Form 3006 (payable) and ENG Form 3006a (receivable) are similar except for the amount columns. In practice, these forms are further distinguished, one from the other, by the assignment, on the last line, of a "B" number for accounts receivable bill and a "V" number for accounts payable voucher.

(1) The upper part of the form is provided for showing the name of the installation and a description of the articles or services transferred. The lines at the top of the form, and the blocks at the bottom of the form, for field units, will not be used in the military accounting system.

(2) The instructions provided in paragraph 3-1, b(2) thru (4) above are applicable to ENG Forms 3006 and 3006a. The instructions contained in paragraph 3-1, b(5) and (6) are applicable to ENG Form 3006. Separate columns are provided for entry of debit and credit amounts to cost accounts and for summary totals to general ledger accounts.

(3) Numbers and Dates of Bill and Voucher Forms. ENG Forms 3006 or 3006a will be assigned both a Bill, or Voucher Number, and a D. O. Voucher number.

(a) Bill. The number of the ENG Form 3006a (accounts receivable) form will consist of the prefix "B" and a compound number. A new series of numbers will be initiated for each month with necessary fiscal year and month identification such as: B 1-77-8, denoting Oct, FY 1977, bill No. 8; or B 12-77-8, denoting Sep, FY 1977, bill No. 8. The date will be the calendar date of assignment of the number. \*

(b) Voucher. The number of the ENG Form 3006 (accounts payable) form, when it is required to transfer costs from another project under the installation, will consist of the prefix "V" and will be numbered in the same series and dated similarly as ENG Form 3005.

(c) D. O. Voucher and Date. These will be the number and date of the disbursement, collection, or adjustment voucher processed to pay for the voucher or collect the bill.

### 3-3 Journal Entry.

a. General. Journal Entry, ENG Form 3007, also used in the Corps of Engineers Civil accounting system; will be used for processing transfers between cost accounts of the same project or between general ledger accounts, including transfers to effect distributions of labor, distributive costs, etc.; to effect corrections of errors in previous postings to accounts; and to transfer between available funds accounts the full amount of confirmed deposits recorded for the month and the full amount of checks issued during the month. Postings will be made from ENG Form 3007 directly to the ledger accounts affected.

b. Description of ENG Form 3007. This form is similar to ENG Form 3006. The number and date of ENG Form 3007 will be determined similarly as for ENG Form 3005 and 3006, except that the number will be in a separate series prefixed with the letter "J".

3-4 Summary Journal Entry. a. General. Summary Journal Entry, ENG Form 3007a, also used in the Corps of Engineers civil accounting system, will be used for summarizing debits and credits to general ledger accounts from monthly totals of the columns in the Accounts Receivable, Accrued Expenditure, and Funds Receipts and Disbursements Registers and allotment accounting records. Entries will be made from summary journal entries directly to general ledger accounts.

b. Description of ENG Form 3007a. (1) The upper part of the form is designed for showing the name of the District, the period covered and the nature of the register or record summarized.

(2) The body of the form is designed for listing the general ledger account numbers, with amounts to be debited and credited. Columns for appropriation symbol are not applicable to this system.

(3) At the bottom of the form is a certification for accomplishment by the employee preparing the entry for attesting to the correctness thereof, and blocks for the employee posting the entry to the general ledger to place his initials and the actual date of the posting.

(4) Summary Journal Entry No. and Date. Summary journal entries will be numbered and dated in the same manner and included in the same series as Journal Entry, ENG Form 3007.

3-5 Continuation Sheet (Bureau Voucher or Journal Entry). Continuation Sheet (Bureau Voucher or Journal Entry), ENG Form 3008, also used in the Corps of Engineers civil accounting system, is provided for use in those cases where the space provided on the prescribed bureau vouchers or journal entries for recording the transactions is insufficient.

3-6 Voucher and Schedule of Payments. The following Standard Form's will be used in accordance with AR 37-107:

- SF 1166 - Voucher and Schedule of Payments (Original)
- SF 1166a - Voucher and Schedule of Payments (Memorandum Copy)
- SF 1167 - Voucher and Schedule of Payments - Continuation Sheet (Original)
- SF 1167a - Voucher and Schedule of Payments - Continuation Sheet (Memorandum Copy)

The Voucher and Schedule of Payments will be used to schedule all basic vouchers (SF 1012, SF 1034, SF 1113, and others, including invoices) citing the installation\*s funds, that are payable by cash, check or voucher deduction. A separate SF 1166 may be prepared for payments from funds of another installation as transactions for others.

- \* 3-7 DA Form 3974 (Installation Block Ticket). This form may be used in accordance with AR 37-108, if desired, in lieu of individual vouchers, as the posting medium to ENG Form 3027 (Funds Receipts and Disbursements Register).

3-8 Funds Receipts and Disbursements Register. a. Description, This register, ENG Form 3027, is designed to serve as a book of original entry for recording all fund receipts and disbursements transactions, as they affect both the cash accounts and other accounts, and for arriving at monthly totals for summary posting to the general ledger. Except for Approved Operating Budgets (AOB) received for O&MA and recording resources made available by the AOB, entries are made in the register from disbursement vouchers and collection vouchers (or block tickets based thereon); advices of allotment, etc, in the columns as described below:

<u>Column</u>	<u>Description</u>
(a)	Date of voucher (or other document).
(b)	Reference - Voucher number (or description of document)
(c) to (f)	<u>Available Funds</u> . A debit and credit column each for account 1000 Disbursing Officer*s Cash, and account 1020 Funds with Treasury.
(g) to (j)	<u>Other Accounts to be Debited</u> . (g) Accounts Payable, account 2100 (h) Accrued Payroll, account 2201 (i) and (j) <u>General</u> . Debits to accounts for which separate columns are not provided. Column (i) is for the general ledger account number and column (j) is for the amount.
(k) to (n)	<u>Other Accounts to be Credited</u> . (k) Accounts Receivable, account 1100 (l) Unapplied Deposits, account 2400 (for voucher deductions) (m) and (n) <u>General</u> . Credits to other accounts for which separate columns are not provided. Column (in) is for the general ledger account number and column (n) is for the amount.

b. Posting to General Ledger. (1) The Funds Receipts and Disbursements Register will be totaled at the end of each month and an ENG Form 3007a (Journal Entry (Summary)) prepared and signed by the appropriate individual executing the form. Amounts to be debited and credited will be developed either from columnar totals or by selective addition in those columns containing amounts classified to more than one account.

(2) Recording of AOB and resources made available thereby will be made by means of ENG Form 3007 (Journal Entry).

3-9 Accounts Receivable Register. a. This register (ENG Form 3003) is the book of original entry which provides for recording accounts receivable transactions from Bureau Vouchers, ENG Form 3006 (yellow), as they are issued.

b. ENG Form 3003 (Accounts Receivable Register) has been designed for manual posting with columns to be-used as follows:

- (1) Columns (a) through (d) - Self-explanatory.
- (2) Accounts to be debited.

Columns (e) through (i) - These columns are provided for recording accounts receivable or debits to other accounts.

- (3) Accounts to be Credited

Columns (j) through (r) - These columns are provided to record amounts credited for work in progress, expenses, etc.

- (4) Appropriate column headings will be inserted as required.

\* c. (Rescinded.)

d. Monthly Closing. These registers will be totaled at the end of each an a summary entry prepared for each register on ENG Form 3007a (Journal Entry (Summary)) signed by the appropriate responsible individual executing the forms. Amounts to be debited and credited to the general ledger accounts will be developed either from columnar totals or by selective addition in those columns containing amounts classified to more than one account.

e. Cancellations or Correction of Entries. When a bill is canceled, an entry reversing the original entry will be made in the Accounts Receivable Register, using ENG Form 3006a. A notation will be made in the column for "payment received" data on the line of the original entry for the canceled bill to the effect that the bill has been canceled. The same procedure applies when a corrected bill is issued, except that in addition, the new bill will be entered in the Accounts Receivable Register and the notation opposite the original billing will show a cross-reference to the corrected bill number.

\* 3-10 Accrued Expenditure Register. a. This register (ENG Form 3004) is the book of original entry for recording all accounts -payable transactions, including working fund advances, processed on Bureau Vouchers, ENG Forms 3005 and 3006 for arriving at monthly totals for posting to general ledger accounts; for registering the numbers of bureau vouchers or other forms covering advances, and disposition of unapplied deposits, and for optional registering the month and year of payment made for all bureau voucher transactions. \*

b. ENG Form 3004 has been designed for manual posting. The register columns are described as follows:

- Column (a) - Bureau voucher date of each entry
- Column (b) - Bureau voucher number
- Column (c) - Particulars necessary to explain the transaction
- Column (d) - Month and year payment is made
- Column (e) - Amount of the liability due creditors
- Columns (f) and (g) - Credits to accounts other than Accounts Payable. The code number of the general ledger account affected will be entered in column (f) and the amount in column (g).
- Columns (h) thru (n) - Amounts applicable to specific accounts to be charged for the services or commodities received and resulting in the liability being recorded. Account designation will be inserted in blank column headings (overprinting or rubber stamps may be used) to meet the needs of individual offices.
- Columns (o) and (p) - These columns on the debit side will be utilized in the same manner as columns (f) and (g) on the credit side.

This procedure requires that the amount of the liability and other credits be entered on the credit side of the register in Columns (e) and (g) to record the net liability, and distributed on the debit side in Columns (h) thru (p) to charge the appropriate accounts for the service or commodity acquired, thus making the registers self-balancing.

c. (Rescinded.)

d. Monthly Closing. At the end of each month, the registers will be totaled and posted by ENG Form 3007a (Journal Entry (Summary)) to the appropriate General Ledger Accounts. The Accrued Expenditure Register may be coded so far as object classification is concerned and the recapitulation thereof made periodically (monthly, semi-annually or annually).

3-11 Cash Blotter. A cash blotter will be maintained on DA Form 3994 as prescribed by Chapter 8 of AR 37-103. The total amount of confirmed deposits for the month will be developed from this record and entered on an ENG Form 3007 (Journal Entry) as a debit to General Ledger Account 1020 Funds with Treasury, and a credit to General Ledger Account 1000 Disbursing Officer\*s Cash.

\* 3-12 Check Register. a. A check register will be maintained to record daily the inclusive numbers of checks used and the total amount of checks issued. (Chap 8, AR 37-103). \*

b. Posting to General Ledger. The monthly total of checks issued will be entered on ENG Form 3007 (Journal Entry) as a debit to General Ledger Account 1000 Disbursing Officer\*s Cash, and a credit to General Ledger Account 1020 Funds with Treasury.

3-13 General Ledger. The general ledger accounts will be maintained on ENG Form 453, Standard Form 1014, or Standard Form 1014A.

3-14 Allotment Ledger, and Transaction Registers will be maintained on ENG Forms 2106 and 3036, and ENG Forms ,3030 and 3038, respectively. Complete description of these forms and procedures for their operation are contained in Chapter 5. In addition, subsidiary ledgers will be maintained for open allotments, appropriation revenues, miscellaneous receipts, and unapplied deposits as prescribed in AR 37-108.

3-15 Cost Ledgers. Cost accounts and controls will be maintained in accordance with the provisions of Chapters 6 and 7, each separate construction project and military activity in support of applicable general ledger accounts.

3-16 Other Subsidiary Records. Other subsidiary records as outlined in AR 37-108 will be maintained as applicable.

4-1 General. a. Financial Controls. Financial controls in this system are established on the basis of costs incurred (accrued expenditures) and in terms of commitments, obligations and disbursements. The system is designed to provide full disclosure of financial operations and to assure that the resources obtained are used as intended in accomplishing the missions assigned to the Corps of Engineers.

\* b. General Ledger Accounts. The accounts contained in this system are established and maintained to account for all funds and assets for military activities under the Command of the Chief of Engineers at Divisions, Districts, and Waterways Experiment Station. \*

Applicability of this chapter includes such funds as:

- (1) Military Construction Funds of the Army
- (2) Military Construction Funds of the Air Force
- (3) Operation and Maintenance Funds of the Army
- (4) Research, Development, Test and Evaluation funds of the Army
- (5) Other Military Funds

c. Subsidiary Ledgers. Two basic subsidiary ledger classes are prescribed for military funds accounting, namely: the allotment (and commitment) accounting ledgers and the cost accounting ledgers. Detailed instructions relative to the maintenance of the allotment (and commitment) accounting ledgers are contained in Chapter 5 of this regulation. Detailed instructions relative to maintenance of cost accounts are contained in Chapters 6 and 7 of this regulation.

d. Source of Entries to General Ledger Accounts. Examples of entries to the general ledger accounts are contained in Sample Transactions, Appendix 1. All postings to the general ledger will be made from one of the following two basic documents:

(1) Summary Journal Entry, ENG Form 3007a. This form is used to summarize postings to be made to the general ledger from the following books of original entry:

- (a) Funds Receipts and Disbursements Register
- (b) Accounts Receivable Register
- (c) Accrued Expenditures Register
- (d) Allotment (and commitment) Ledgers

ER 37-345-10  
Change 24  
3 Oct 77

(2) Journal Entry, ENG Form 3007. This form is used primarily to record receipt of AOB and availability of O&MA resources, and to record distributions of cost in the general ledger such as cost developed from data contained in the labor (costs) portions of time and attendance reports. All postings to the general ledger, other than the summary postings listed in (1) above, will be by means of Journal Entry, ENG Form 3007.

- \* e. Accounting Cycles. The fiscal year accounting cycle is from 1 October through the following 30 September as established by law. The monthly accounting cycle is the calendar month. \*

4-2 Allotments and Approved Operating Budgets Received. The provisions of AR 37-108, as applicable, will be followed in receiving, blocking, journalizing and posting advices of allotments and approved operating budgets and revocations or other documents making funds available for obligation. Instructions for posting to allotment ledgers (including such ledgers maintained for approved operating budgets) are contained in Chapter 5 of this regulation.

4-3 Suballotments Received. Amounts received as suballotments will be accounted for as prescribed in AR 37-108.

4-4 Suballotments Issued. Amounts suballotted to other installations will be accounted for as prescribed in AR 37-108.

4-5 Commitments and Obligations.

a. Commitments Incurred. The instructions contained herein will be observed in lieu of those contained in AR 37-108, and are supplementary to those contained in AR 37-21. Commitment documents will be received, certified, posted to fiscal accounting records and filed in accordance with the provisions of Chapter 5. Commitment documents will not be blocked since entries to general ledger accounts will be made from summaries of the allotment (or commitment) ledgers.

b. Obligations Incurred. The instructions contained herein supersede those in AR 37-108. Obligation documents will be received, posted to fiscal accounting records and filed in accordance with the provisions of Chapter 5. Obligation documents will not be blocked or entered in an obligation journal, since entries to general ledger accounts will be made from summaries of the allotment ledgers.

4-6 Unobligated Balances of Lapsed Appropriations and "M" Accounts - Disposition.

- \* a. Lapsed Appropriations. As of 1 October each year, immediately after submission of the 30 September status of allotment reports, unobligated balances reflected thereon for appropriations then lapsing will be closed out by journal entry, ENG Form 3007, debiting general

(a) General. Upon audit for payment, bureau vouchers on ENG  
\* Forms 4480 covering accounts payable for the furnishing of goods  
and services by private parties, Navy, Corps of Engineers civil  
activities, and Government agencies outside the Department of  
Defense will be scheduled on Standard Form (SF) 1166.

(b) The basic payment vouchers to be listed on SF 1166 will  
\* include SF 1034, etc., and vendors\* invoices in whatever form.  
Vendors\* invoices should be obtained in an original and two copies,  
one copy being returned with payment therefor. All copies of basic  
payment vouchers should show the applicable bureau voucher  
number(s), the symbol number of the appropriation, fund and  
limitation from which payable; and, any other information that may  
be necessary to meet specific requirements.

(c) The Voucher and Schedule of Payments will be prepared by  
the Finance and Accounting Branch in an original and at least two  
memorandum copies, to list each basic voucher by bureau voucher  
number and amount. If more than one bureau voucher relates to a  
basic voucher, they will all be listed in the "Bureau Voucher  
Number" column. If more than one basic voucher is payable to the  
same payee, the amount of each will be listed separately in the  
"Payee" column, with the total shown in the "Amount" column. The  
original, SF 1166, will be used as a covering jacket for the  
originals of the basic payment vouchers and obligating documents  
and any other documents required to support the payment and to be  
\* submitted to the Defense Finance and Accounting Service. One copy  
will be used as a covering jacket for an assembly consisting of a  
copy of each of the documents attached to the original schedule,  
and the original receiving reports, work papers, etc., to  
constitute the file of Disbursing Officer\*s copies. The other copy  
of the schedule will be retained as a "suspense" copy. After  
certification in accordance with the succeeding paragraph, both the  
original and one copy of the schedules, with attachments, will be  
routed to the disbursing unit. An additional copy of each voucher  
schedule covering payment of a civilian payroll voucher, or payment  
on a cost-type contract, i.e., cost reimbursable or  
cost-plus-a-fixed-fee contract, will be prepared to accompany the  
original schedule and attachments.

(d) Voucher Certification. Except for vouchers for contract  
field printing and communication services, basic vouchers or  
invoices will not be certified individually by the Certifying  
Officer when they are listed on a properly certified Schedule of  
Payments, SF 1166. Only the certification on the SF 1166 is  
necessary. It implies that the certificates required in special  
situations have been complied with through signature on the SF  
1166. In connection with payrolls, the payroll certifying officer

ER 37-345-10  
Change 45  
31 Oct 91

will sign the Standard Form 1166 and, if necessary, modify the certificates thereon to meet any special requirements as the restrictions, such as employment of aliens, etc. Where Finance and Accounting Officers are required to certify as the availability of funds such certification may also be placed on the Standard Form 1166. In order to prevent possible duplicate scheduling and payment, each bureau voucher and both sets of attachments to the schedules will be punched or stamped "PAID" at the time the schedule is certified for payment.

\* i. Paid Documents Files. Three separate files of paid documents will be maintained at the installation, in addition to the original voucher schedules and supporting documents which are submitted monthly to the Defense Finance and Accounting Service:

(1) The paid D.O. voucher file will include the copies of the voucher schedules with attachments thereto, maintained in D.O. voucher number sequence.

\* (2) The paid bureau voucher file will include the original paid bureau vouchers ENG Forms 4480 maintained in bureau voucher numbers sequence, referenced to the D.O. Voucher No. and Date. \*

\* (3) The vendor file will consist of copies obligating documents showing the assigned bureau voucher number and the amount paid, and will be filed alphabetically by payee, or a vendor\*s card file may be maintained. For the latter purpose, DA Form 3900, Bills Register, will be maintained to the extent of recording required information. The Commercial Accounts Processing System (CAPS) will suffice as an alternative to the manual bills register system.

#### 4-8 Accrual Accounting Procedures.

a. The General Accounting Office (GAO) prescribes that the accrual basis is the basis of accounting to be used by Federal agencies. The accrual basis of accounting recognizes the significance and accountable aspects of financial transactions, events, or allocations as they occur without regard to when the goods or services were ordered or paid. Accrual accounting can contribute materially to effective financial control over resources and costs of operations and is essential to develop adequate cost information. Proper accrual accounting is essential in meeting the GAO mandated accounting principle of matching costs to the proper period. \*

\* b. Estimated accruals will be used when exact values cannot be established. Arbitrary prorations are not to be used as a basis for estimating accruals. Accruals will be developed by the organization responsible for insuring receipt of the goods or services. The GAO Title II standards for materiality will be considered in determining when certain individual estimated accruals are required to fairly reflect and disclose the cost of an operation or project. The Finance and Accounting Officer is responsible to ensure that the accruals are developed within the GAO Title II standards. Activities are not to inflate accruals. Accounting should review an activity\*s accrual performance in the tri-annual review of unliquidated obligations. This review should include an assessment of major estimated contract accruals. There should be a relationship with the value of the estimated accrual and subsequent disbursement. If estimated accruals are not disbursed within 60 days, the accrual process should be reviewed to determine if the values are being inflated. Conversely, if major amounts are being disbursed in the subsequent period without input of estimated or actual accruals, accounting should take action to require the activity responsible to input appropriate accruals.

c. Accrued Expenditures. \*

(1) Accrued expenditures will be recorded in the accounts for performance (including retained percentages) to the end of each calendar month for the following:

(a) Construction contracts, major supply contracts, (e.g., turbines, generators, transformers, fabricated steel), equipment rental contracts, architect-engineer contracts for design services, unless such omissions are determined insignificant by the District Engineer, and reimbursable orders placed on other federal activities including other Corps of Engineers offices and other items not specifically covered below (see subpara (4) below).

(b) Intra-district activities, as described in paragraph 5-12d(2).

(2) Payroll earnings and benefits.

(3) Accrued expenditures will be the same amount as obligations incurred for the following where initially financed by project funds:

(a) Temporary duty travel and transportation of things.

ER 37-345-10  
Change 45  
31 Oct 91

(b) Public utility services.

(c) Real estate leases. If such leases contain termination clauses, the termination amount will be accrued in the month when termination occurs if such costs represent a penalty and not additional usage beyond the current monthly period.

(4) significance, as referred to above, relates only to end-of-the month transactions for items included in a(1)(a), above, not yet covered by receiving reports, contract payment estimates, etc. Significance, as determined by the District Engineer, will be based on the impact of the omissions at the account level needed for financial management, performance evaluation, and future planning. Under this rule, for months other than September insignificant items need not be accrued. As of 30 September of each year, however, estimated accruals will be entered regardless of amounts for construction, major supply, and equipment rental contracts.

\* d. Accrued Revenues.

(1) Revenues accrued will be recorded to the end of each calendar month on the basis of performance of reimbursable work and services for others including other Corps of Engineers activities, warehouse issues, sales of maps, etc. Collections received prior to performance will be accounted for as advances received except as provided below.

(2) Revenues from real estate grants will be accrued in the amounts of the periodic payments due when the collections are received or bills issued depending on which occurs first.

\* 4-9 Progress Payment

a. O&MA funded contracts. Progress payments made from O&MA appropriation funds on service or construction contracts are to be considered and accounted for as partial payments. The partial payment will simultaneously liquidate partially the obligation, establish the accrued expenditure and incur the cost (expense). This includes progress payments to Industrial Fund Installations.

b. Construction contracts. Other progress payments under construction contracts will not be charged to account 1327, but will be charged to accounts as applicable (e.g., 1801, 1812).

c. Supply contracts. (1) All progress payments (as defined in AR 37-108) under supply contracts will be charged to account 1327 on the basis of certification by the contracting officer approving the contractor's request for each progress payment, and the transaction will be processed in the same manner as for other accounts payable. \*

(2) Upon delivery of end items, the appropriate accounts (e.g. 1801, 1812) will be charged therefor. Account 1327 will be credited to the extent that the progress payments are recouped by such delivery, by voucher deduction. \*

(3) Progress payments not recouped by application of end items delivered and voucher deduction will be recouped by cash refund through billing (as accounts receivable) and collection procedures.

\* d. Other Government agencies. All progress payments to other Government agencies, except as provided in para a above, will be charged to account 1328 and delivery of end items will be credited thereto, in the manner as provided above for progress payments under supply contracts. \*

\* e. Contract payments withheld (retained percentage). (1) Amounts of retained percentages due contractors will be recorded under G. L. account 2120, Contract Payments Withheld (Retained Percentage) supported by subsidiary accounts maintained on General Ledger Forms ENG Form 453 or SF 1014 properly headed by contract, appropriation, allotment and BSN or BAAN.

(2) A single bureau voucher, ENG Form 3005 in normal number of copies will be prepared covering each pay estimate.

(a) The applicable cost accounts will be charged with the current period gross earnings and the GL 2120 subsidiary account (par (1) above) credited with the amount of retained percentage being withheld, or debited with the amount of retained percentage to be paid.

(b) G. L. Account 1801 or other applicable G. L. accounts will be debited with the current period gross earning.; account 2100 will be credited with the amount of payment to be made including, if applicable, that portion of the amount of retained percentage previously withheld; and G. L. Account 2120 will be credited with the amount of retained percentage being withheld, or debited with the amount of retained percentage to be paid.

ER 37-345-10  
Change 8  
22 Dec 69

(c) The amount of liquidations and accruals will include the amount of retained percentage involved.

4-10 Advance Payment Transactions. This paragraph concerns advance payments of the nature chargeable to the general ledger accounts listed below:

1401 Advances to Travelers  
1411 Advances to Contractors and Suppliers  
1421 Working Fund Advances

a. Advance payments to travelers, contractors and suppliers.

(1) Advance payments to travelers. (a) Army Funds. Advance payments made to travelers chargeable to Army funds covering expenses of travel or movement of household goods will be processed and accounted for in the fiscal accounting records in accordance with AR 37-106 and AR 37-108. Executed and approved DD Form 1351, will be numbered in the same series as for bureau voucher numbers on ENG Forms 3005. These vouchers are not entered in the Accrued Expenditure Register. To maintain accountability for and continuity of bureau voucher number, in the Accrued Expenditure Register, bureau voucher numbers used for advances will be annotated in the Register as "Used for Advance Payment to Travelers." The vouchers will be scheduled on SF 1166 and processed for payment. The original and a copy of the voucher will be attached to SF 1166 and 1166a, respectively, and disposed of in the same manner as payments of accounts payable. A third copy of the paid voucher will be filed, in bureau voucher numerical sequence, in the paid bureau voucher file. Posting in the Receipts and Disbursements Register will be reflected as a charge to Account 1401, Advances to Travelers and credited to Account 1000, D. 0. Cash. The reimbursement voucher prepared, cover the consuited travel of the employee and to recoup the travel advance will be covered by ENG Form 3005 in the normal manner, i.e. to charge the total amount of the expense in the Accrued Expenditure Register to the applicable cost and general ledger accounts with credit to Account 2100, Accounts Payable. Upon payment of the reimbursement voucher (DD Form 1351-2) entry will be made in the Funds Receipts and Disbursements Register to debit Account 2100, Accounts Payable and credit Account 1000 D. 0. Cash, with the total (gross) amount of the voucher. Concurrently, SF 1096, Schedule of Voucher Deductions, will be processed to cover the amount of advance recouped by deduction from the basic DD Form 1351-2, the remainder, if any, being paid to the employee. The SF 1096 will be entered in the Funds Receipts and Disbursements Register as a debit to Account 1000 and credit to Account 1401. The gross amount of the DD Form 1351-2 will also be recorded in the allotment ledger covering applicable funds cited in the travel order. However, the SF 1096 will not be recorded in allotment ledgers. Any amount recouped by cash collection rather than by voucher deduction, will be covered by SF 1114, Bill for Collection, and processed through the Funds Receipts and Disbursements Register to credit Account 1401.

1 Mar 69

(b) Air Force Specific Allotments. Travel advances to travelers chargeable to specific allotments of Air Force funds, as shown on the travel order, will be vouchered on DD Form 1351 for payment. NG Form 3005 will be prepared for the amount of the advance and recorded in the Accrued Expenditure Register and the allotment ledger of the specific allotment charged in the normal manner. The Accrued Expenditure Register will develop a charge to Account 1401, Advances to Travelers, and a credit to Account 2100, Accounts Payable Cost Account 778 will be charged as described in Chapter 6. The DD Form 1351 will be scheduled on SF 1166 and the disbursement entered in the Funds Receipts and Disbursements Register as a debit to Account 2100 and a credit to Account 1000, D. O.. Cash. Recoupment of the advance and adjustment to actual cost of the travel will be accomplished on the basis of vouchers (DD Form 1351-2) processed upon consummation of the travel. Total expense of the travel, covered by ENG Form 3005, will be entered in the Accrued Expenditure Register as a debit to Account 1801, Work in Progress, or other applicable cost account and as a credit to Account 1401, (Cost Account 778), for amount of advance recouped, and as a credit to Account 2100, Accounts Payable, for any additional amount owing to the traveler. Disbursement will be reflected on the Funds Receipts and Disbursements Register as a debit to Account 2100, and a credit to Account 1000. Any amount recouped by cash collection, will be covered by SF 1114, Bill for Collection, and processed through the Funds Receipts and Disbursements Register as a credit to Account 1401, Advances to Travelers.

(2) Advance payments to contractors and suppliers will be processed and accounted for in the fiscal accounting records in accordance with AR 37-108. The advance will be vouchered on SF 1034, Public Voucher for Purchases and Services Other than Personal, and charged to Account 1411, Advances to Contractors and Suppliers. Recoupment of the advance will be effected by voucher deduction or cash collection, and treated in a manner similar to that for recoupments of advances to travelers, Army Funds (1)(a) above except that recoupments will be credited to Account 1411.

b. Working Fund Advances.

(1) Advances to other Government agencies including components of the Department of Defense, will be processed in accordance with AR 37-108. On the basis of receipt by the installation of copy of letter from the Chief of Engineers forwarding certified SF 1080 to the Finance and Accounts Office, ENG Form 3005 will be processed to credit account 2100 Accounts Payable and to charge account 1421 Working Fund Advances and the applicable cost and allotment accounting records. The paid copy of SF 1050, when received by the installation whose funds are cited, will be processed in the fiscal accounts as a transaction by others. A journal entry will be processed crediting account 1421 and debiting the applicable cost and general ledger accounts for the full amount of the advance. Any part of a working fund advance returned will be treated as an appropriation refund.

1 Mar 69

(2) Advances to the Revolving Fund or other funds, within a district, will be processed utilizing SF 1080 billings and related ENG Forms 3005, EN\G Forms 3006 (no check transfer) billings, and journal entries, ENG Forms 3007, as applicable. Advances to the Revolving Fund covering military payrolls, will be processed by serviced districts in accordance with ER 37-2-10. At districts and divisions financed directly from military funds, advances between projects to finance deferred and distributive type costs common to more than one project, when required, will be processed in accordance with Chapter 7.

4-11 Unapplied deposits. a. General. Unapplied deposits (deposit funds) will be accounted for and disbursed in accordance with AR 37-103 except that SF\*s 1034 and 1049 need not be prepared and certified individually to effect payments and refunds. Documents processed to effect refunds, payments, and transfers from unapplied deposits will be numbered in the same series as bureau vouchers (ENG Forms 3005 and 3006). The numbers assigned to these documents will be accounted for in the Accrued Expenditure Register in a manner similar to that for those processed for advances to travelers, contractors and suppliers.

b. Financing of Construction With Non-Appropriated Funds. When construction of morale, welfare, recreational and other facilities is performed by districts from nonappropriated funds furnished by a Command Welfare activity, it is not necessary that the full amounts required for estimated government costs and contract payments be deposited with the District Finance and Accounting Officer before contracts are awarded. With respect to each job, before preliminary or firm design is begun, bids are opened, or hired labor work is started, written assurance will be obtained from the Command having jurisdiction over the non-appropriated fund activity involved, to the effect that the full amount required from the nonappropriated funds for the job is available and will be provided upon request of the Corps of Engineers performing office.

c. Refunds and payments. Documents covering refunds and payments will be scheduled on SF\*s 1166 and 1166s, and the schedule will be certified by the certifying officer. Accordingly, the documents may be in any form which will clearly substantiate disbursement. Payments to taxing authorities, and payments to Federal Reserve Banks for United States Savings Bonds will be documented on SF 10149, Public Voucher for Refunds, or SF 10314, Public Voucher for Purchases and Services other than Personal. The original and a copy of the appropriate documents will **be** attached to SF 1166 and 1166a respectively, and disposed of in the same mannner as provided for accounts payable. A third copy of the document, referenced by the bureau voucher number assigned, will be filed in that numerical sequence in the paid bureau voucher file.

d. Transfers from unapplied deposits will be effected through

1 Mar 69

the use of SF 1080, Voucher for Transfers Between Appropriation and/or Funds, as provided by AR 37-108. The original will be used as a disbursement voucher, and a copy as a collection voucher. In addition, a copy, referenced by the bureau voucher number assigned, will be filed in that numerical sequence in the paid bureau voucher file.

4-12 Use and Accounting for Imprest Funds. The provisions of AR 37-103-1 will be followed in the establishment and operation of imprest funds.

a. Deviation from the provisions of AR 37-103-1 is authorized to the effect that installation commanders may approve an imprest fund up to the estimated monthly payments or \$500, whichever is greater, but not in excess of approved limitation. This deviation should not be construed as authorizing a minimum fund of \$500, but should be applied based on determination of justifying circumstances in each case.

b. Division Engineers are delegated authority, without power of redelegation, to approve the establishment of properly justified imprest funds in excess of \$1,000 but not to exceed \$5,000.

c. The Standard Form 1129 Reimbursement Voucher will be covered by ENG Form 3005 Bureau Voucher (Procurements) to process charges for purchases made from Imprest Fund cash to the cost, general, and allotment accounting records.

d. UG Form 2956 Statement of Status of Imprest Fund will be used in the inspection and verification of imprest funds. The principal of the fund will be verified to assure that cash, Treasury checks, unpaid reimbursement vouchers, unvouchered sub-vouchers, and interim receipts are on hand equal to the authorized amount of the fund. The cash balance should consist only of cash or uncashed Treasury checks payable to the cashier. Unreimbursed items should be examined for validity of supporting documents, and assurance that all unreimbursed items are current.

4-13 Disbursements. a. General. Disbursements are defined as charges against appropriations and funds by the installation disbursing officer on the basis of certified disbursement vouchers, described herein, submitted to him. Disbursements may be effected by cash, check, or voucher deduction, on the basis of payment vouchers; or without the use of cash or check, on the basis of transfers or correction vouchers. These disbursement vouchers will be assigned D. 0. numbers in accordance with the provisions of Sec. II, Chapter 6 AR 37-103. Block tickets may be used as summary posting media for entering disbursement data on the Funds Receipts and Disbursements Register.

b. Disbursements by cash, check, or voucher deduction will be made and accounted for in accordance with the applicable provisions of AR's 37-103 through AR 37-108, on the basis of Voucher and Schedule of Payments, SF 1166, for payments from installation funds; and on the basis of separate voucher documents for payments for others.

1 Mar 69

c. Disbursements other than by cash, check or voucher deduction. These disbursements will be accomplished through the use of specified voucher forms as follows:

(1) SF 1080, Voucher for Transfers between Appropriations and/or Funds will be used to process disbursements such as the following:

(a) Transfers between appropriations in the accounts of the installation.

(b) Transfers between appropriation accounts of different fiscal stations of the Department of Defense, except Navy. This will include also transfers for others. A copy of SF 1080 will be used as a collection voucher.

(c) Distribute to the proper appropriation or receipt account funds which were credited initially to a disbursing officer\*s deposit account.

(2) SF 1097, Voucher and Schedule to Effect Correction of Errors, will be used for all adjustment actions between appropriations, funds, and receipt accounts involving either disbursements (charges) or collections (credits) in accordance with AR 37-108. SF 1097 will be used to correct errors in amounts on previously processed transactions.

4-14 Accounts Receivable Bills Issued. a. General. This paragraph covers procedures for the issuance of bills for amounts due the United States, and the entry of such bills rendered in the accounting records.

b. Policy. (1) All amounts due for services performed, goods furnished, an advances made, will be billed promptly upon performance, or in advance, when collection is to be made in advance of performance of service or work except as provided below. Generally, separate bills will be rendered covering each amount due; however, in instances where it is known that several billing transactions will mature during a given month to the same debtor or owing agency, only one consolidated billing need be prepared. Bills to other Government agencies should not be submitted for amounts of less than \$100, except for final billing. In this connection, it is important to note the distinction which exists between billing and vouchering. For purposes of this regulation billing is the preparation of documents to be used to notify a debtor or owing agency of an amount due. Vouchering is the preparation of documents to be used as posting media to the Accounts Receivable Register and to the subsidiary accounts.

(2) All amounts due, or collected, will be vouchered as accounts receivable, whether or not issuance of bills is required. Bills are not required to be issued where DD Form 1131, Cash Collection Voucher, or ENG Form 3313, Remittance Register, is used to schedule collection items not previously billed (e.g., cash sales of plans

and specifications), including deposit fund collections (e.g., bid deposits, cash sales of bonds), and where collections are by voucher deductions. For collections received prior to billing, ENG. Form 3006a will be used for entry in the Accounts Receivable Register.

\* (3) (Rescinded)

\*

(4) Systematic follow-up action will be taken to insure prompt settlement of unpaid bills. The provisions of Section II, Chapter 6, AR 37-108, will be applied.

c. Billing Forms. (1) SF 1114 Bill for Collection, for billing to other than Government agencies.

(2) SF 1080 Voucher for Transfers between Appropriations and/or Funds, for billing to other Government agencies or appropriations.

(3) ENG Form 3006a Bureau Voucher (for Cost Transfers) for intra-district billing, Such billing will be processed as prescribed in paragraph k, below.

\* (4) DA Form 3970 Transfer Adjustment Voucher, for billing between accounts under the same appropriation.

(5) Special Bills. In offices where the number of collection transactions are voluminous special forms may be designed to effect a more efficient and economical procedure. Each plan should be worked out in detail and submitted to the Chief of Engineers for approval.

d. Origination of Bills Receivable. (1) Bills for all pre-billed items (except for real estate outleases) will be prepared in the cost accounting section. Bills for real estate outleases will be prepared in the section of the Finance and Accounting Branch best suited therefor, as determined by the district engineer.

(2) Only one series of bill numbers will be used by each office regardless, of the military appropriations or the type of billing document

involved. The bill number assigned to ENG Form 3006a will also be assigned to the SF 1080 or SF 1114 which supports it. In instances where ENG Form 3006a is not required (see (3) below), a number from the same series as used on ENG Form 3006a will be assigned to the billing document. The numbering system used in connection with ENG Form 3006a is further described in Chapter 3.

(3) In the preparation of bills on SF 1080 and SF 1114, where practicable the cost, general ledger and allotment ledger entries may be included in the accounting classification block or on the reverse of the bill form, with extra copies of the bills being prepared for use as posting media in lieu of ENG Form 3006a.

e. Preparation of Bills Receivable. (1.) SF 1114 is prepared in three-part sets, except as stated in d(3) above. The original SF 1114 is sent to the debtor as notification of amount due; and SF 1114a serves as the debtor's official receipt and SF 1114b serves as the collection voucher, when the bill is collected. An extra copy of SF 1114b may be made for administrative use of the preparing office, if needed.

(2) SF 1080 is prepared in quadruplicate, except as stated in d(3) above. The original SF 1080 and one copy serve the debtor agency as the disbursing voucher and memorandum copy of disbursing voucher. Two copies serve the creditor district as the collection voucher and memorandum copy pending collection. The billing office, when preparing the SF 1080, will indicate whether the bill is partial or final. The SF 1080\*s will be reviewed by the Chief, Military Accounting Section to verify that they have, in fact, been properly prepared and that adequate documentation is attached. Some examples of documentation are: Copy of DA Form 2544, TT Message or letter of authority for the charges, copy of Travel Order and Paid Travel Voucher, etc. When it is impractical to attach such documentation, sufficient narrative information must be displayed on the face of the SF 1080\*s to enable the receiving office to promptly and properly identify, validate and approve the bill for payment. All SF 1080\*s should be mailed to the attention of the office and symbol which requested the service. \*

(3) DA Form 3970 (see AR 37-108).

(4) LUG Form 3006a is prepared in duplicate. The, original serves as the posting medium to the accounts receivable register. The copy is the posting medium to the cost ledger.

f. Preparation of ENG Form 3006a. ENG Form 3006a is prepared in connection with all accounts receivable transactions not processed in accordance with d(3) above.

g. Categorization of Receivables. Accounts receivable transactions and the resultant collections will be classified as appropriation refunds, appropriation reimbursements, appropriation receipts, general fund receipts or deposit fund receipts in accordance with AR 37-100.

Adjustments between construction appropriations (military and/or civil) for services and materials common to the administration and operation of construction programs under such appropriations will be treated as appropriation refunds.

h. Processing of Accounts Receivable. As previously stated, all accounts receivable, except those processed in accordance with d(3) above, will be vouchered on ENG Form 3006a for accounting expediency. The original ENG Form 3006a accompanied by the retained copies of bills will be used by the Finance Accounting element for recording in the Accounts Receivable Register. The copy of ENG Form 3006a will be used by the Cost Accounting element for recording in the appropriate subsidiary (cost) accounts. Accounts receivable documents not requiring preparation of ENG Form 3006a will be recorded on the basis of the accounting distribution shown thereon. In such cases additional copies of the bills will be used in lieu of ENG Form 3006a and the procedures in i and j below, modified accordingly.

i. For billing to Government agencies, the cost accounting element will prepare a set (original and one copy) of ENG Form 3006a and SF 1080 in quadruplicate. SF 1080. (original and two copies) will be transmitted to the debtor or owing agency. One copy will accompany the original ENG Form 3006a through entry to the Accounts Receivable Register to the Uncollected Receivable (suspense) file.

\* j. For billing to other than Government agencies, the cost accounting element will prepare a set (original and one copy) of ENG Form 3006a showing pertinent accounting data. SF 1114 series will be prepared--SF 1114 and SF 1114a will be transmitted to the debtor and SF 1114b will accompany the original ENG Form 3006a through entry to the Accounts Receivable Register to the Uncollected Receivable (suspense) file. \*

\* k. For all adjustments between the military cost accounts of a single installation, two sets of Bureau Voucher (for Cost Transfers) will be prepared. ENG Form 3006 accounts payable voucher (original and two copies) will show the cost, allotment, and general ledger accounts chargeable. ENG Form 3006a accounts receivable voucher (original and one copy) will show the cost and general ledger accounts creditable. These vouchers will be recorded in registers and ledgers in the same manner as other vouchers on these forms. They may be summarized periodically on SF 1080 or on DA Form 3970 as \*

ER 37-345-10  
Change 24  
3 Oct 77

appropriate, and the total entered concurrently as a disbursement and receipt (in the current or the subsequent month) in the Funds Receipts and Disbursements Register.

1. Filing and Reconciliation of Uncollected Bills.

(1) After processing through the Accounts Receivable Register, etc., accounts receivable and related billing documents will be filed in "uncollected files" by bill number until collection is effected. This file is the support for and should balance with the general ledger accounts receivable.

(2) At the end of each month the uncollected file will be checked against the balances in the subsidiary ledger accounts which they support. They must balance. With respect to monthly verification of uncollected items, the open accounts receivable will be listed by appropriation as of the end of each month including references to the bill numbers. Such listing may be prepared by use of adding machine tape or other informal record. At the end of each fiscal year the listings of uncollected bills will be prepared in quadruplicate and distributed as follows:

\* (a) Original attached to the Accounts Receivable Register sheet for October of the new fiscal year.

(b) Copy attached to Accounts Receivable Register sheet for September of the closing fiscal year. \*

As bills of prior fiscal years are collected, collection data will be noted on the original listing (cited in subpara (a) above).

4-15 Collections.

a. General. The provisions of Chapter 6, AR 37-108 will be applied, except that the amounts of obligation adjustments (paragraph 4-151c, AR 37-108) will not be computed or posted, since such adjustments are reflected in the general ledger accounts automatically through the operation of the fiscal accounting records. (See Chapter 5.)

b. Real Estate Collections.

(1) All collections for rentals will be deposited directly to the applicable General Fund Receipt account upon receipt by the Finance and Accounting Officer.

(2) In the event it becomes necessary to terminate a lease and to refund any rentals paid in advance, the refund may be accomplished by either a set off against current collections or by following the adjustment procedure provided in paragraph 11-6a. AR 37-108.

c. Receipts from Sales of Government Publications. Collections derived from sales of publications, and sales of plans and specifications will be deposited to General Fund Receipts. However, where the reproduction of plans and specifications is financed initially from the Civil Revolving Fund, sales to potential bidders should be made and the receipts credited to the Revolving Fund prior to transfer (sale) of the net reproduction costs to the military project involved.

d. Collections from Contractors for Underpayment of Wages.

(1) Where violation of the Davis -Bacon Act or the Work Hours Act of 1962 (PL 87-581) has been detected, sufficient funds will be withheld from contract payments and retained in Deposit Fund Suspense Account 21X6875 pending restitution to the employee by the contractor, or other action as follows:

(a) Where the contractor fails to make restitution, or if any of the employees involved cannot be located, SF 1093 will be prepared and check drawn in favor of the Treasurer of the United States to cover the total amount shown on the form.

(b) Cases within the scope of ASPR 18-704. 13(b) and (c) will be submitted through the Chief of Engineers with one exception noted below. With respect to ASPR 18-704. 13(b), (voluntary restitution is not made by the contractor) the report of investigation shall be forwarded to HQDA (DAEN-GCL) WASH DC 20314 and the SF 1093 and accompanying check to HQDA (DAEN-ECF-A) WASH DC 20314. Concerning ASPR 18-704. 13(c) (restitution not made because employees cannot be located), a brief summary as required by para 12-404. 13(c), ER 1180-1-1 will be furnished with check and SF 1093 to HQDA (DAEN-ECF-A) WASH DC 20314 with copy of SF 1093 and summary to HQDA (DAEN-GCL) WASH DC 20314. In cases where the violations total less than \$500. 00 and the contracting officer has found them to be neither willful nor aggravated, the SF 1093 with check and completed notation (specified at end of ASPR 18-704.13(c) shall be processed directly from the disbursing office to the General Accounting Office. An information copy of SF 1093 with completed notation should be furnished HQDA (DAEN-GCL) WASH DC 20314.

(2) All amounts of liquidated damages assessed contractors under the Work Hours Act of 1962 will be retained as undelivered orders in the project allotment account until final determination has been made as provided in the Act. Where the liquidated damages are contested by the contractor under Section 104 (c) of the Act, the obligation will be cancelled upon receipt of the order issued by the Chief of Engineers affirming the administrative determination; or in a case where relief is recommended, the obligation will be adjusted in accordance with decision received from the Secretary of Labor. In a case where the contractor does not contest the assessment of liquidated damages, the obligation will be cancelled upon expiration of the sixty days allowed for submission of an appeal.

e. Filing and Control of Documents. Collections received will be identified to the related documents in the Uncollected Receivable (suspense) file. All copies will be withdrawn, assigned a collection voucher number (AR 37-103) and processed in accordance with subparagraph a above. The original ENG Form 3006a, or copy of bill used in accordance with par 4-14d(3), is filed in a "Collected" file by bill number, the original collection voucher forwarded to the General Accounting Office with the Statement of Accountability, and the copy of the collection voucher filed in numerical order by voucher number.

4-16 Transactions by and for Others. Transactions by others will be processed and accounted for as provided in Section X, Chapter 4, AR 37-108. However, obligation adjustments (par. 4-172d, AR 37-108) will not be computed or posted, since they are reflected in the general ledger accounts automatically through the operation of the allotment accounting records (see Chapter 5). Transactions for others will consist generally of disbursements and collections made by the installation's disbursing officer and identified with the funds of another installation or department. (See Sec. XI, Chapter 15, AR 37-108). They will affect General Ledger Accounts 1000 and 1020 only.

4-17 Civil Service Retirement Deductions. Civil Service Retirement deductions applicable to payrolls paid directly from military funds appropriations will be accounted for in accordance with the applicable provisions of ER 37-2-10 in those offices operating under that regulation. Otherwise, Sec. VII, Chapter 13, AR 37-108 is generally applicable. The summary entries described therein will be documented on ENG Form 3007, Journal Entry.

4-18 Payroll and Leave Accounting. Payroll and leave accounting procedures applicable to civilian employees who are engaged on military activities are covered in Chapter 11, ER 37-2-10, and other regulations referenced therein. The assignment of civilian division and district employees to payrolls to be paid directly from civil or military funds will be in accordance with the following:

a. Division Employees. In Divisions where the supervision of both civil and military activities is involved, all Division office employees will be paid from the Civil Revolving Fund of the District performing administrative service for the Division office. In the case of a division office which is responsible for military activities only, the employees will be paid from military funds unless other methods are specifically authorized by Chief of Engineers. \*

b. District Employees.  
(1) In the case of a district which is responsible only for military activities, district employees will be paid from military funds unless other methods are specifically authorized by Chief of Engineers.

(2) In all other districts operating under this regulation, employees will be paid in accordance with the provisions of ER 37-2-10.

c. Labor Costs.

(1) The costs of labor of personnel paid directly from military funds are the amounts of gross pay earned, and severance payments to former employees, plus the Government's share of Civil Service Retirement (CSR), Social Security Taxes (FICA), Employees Life Insurance (ELIF) and Federal Employee Health Benefits (EHBF), as applicable.

(2) The costs of labor of personnel paid from the Revolving Fund are the amounts billed therefrom for the time actually worked at rates established to include a provision for pay for leave earned while working plus the Government's share of Civil Service Retirement (CSR), Social Security Taxes (FICA), Employees Life Insurance (ELIF) and Federal Employee Health Benefits (EHBF).

(3) Guidance for reporting requirements is furnished in Chapter 5.

ER 37-345-10  
Change 23  
20 Aug 76

4-19 Reconciliation of Cash Blotter and Check Register with Funds Receipts and Disbursements Register. The cash blotter and check register will be reconciled daily with the Funds Receipts and Disbursements Register. ENG Form 3027, utilizing ENG Form 4013 (worksheet) to perform the reconciliation. Provision of Section XII, Chapter 4, AR 37-108. will be followed except for substitution of the register (ENG Form 3027) for the journals referred to therein.

4-20 (Reserved.)

4-21 Transfer of Projects Between Districts. When projects are approved for transfer between districts, financial transactions relative thereto will be processed as provided below.

\* a. The transferring district will report to HQDA (DAEN-ECF-A) WASH DC 20314. the amount of funds allotted applicable to the project, simultaneous with release of appropriate adjusting directive (where required by ER 415-35-1), requesting either of the following actions: \*

(1) Revocation and reallocation of the funds, if the amount is only part of an allotment.

(2) Change in accountable officers, without revocation action, if the amount is the total allotment and the allotment is current.

(3) In respect to completed total allotments, a revocation and a reallocation of these allotments or a change in accountable officers will not be requested. However, the allotment ledgers therefor will be transmitted to the transferee district in accordance with subparagraph d, below.

b. The transferring district will take the following action as of the close of an appropriate accounting period:

(1) Based on subsidiary cost, allotment and commitment records and supporting documents, determine amounts in applicable general ledger accounts pertinent to the transferred project in the form of a trial balance, and close out those amounts in the general ledger by journal entries as follows:

\* (a) Close asset, liability, and investment accounts (except expenditures included in GL 3011 and 3012), representing net total costs, into "Funds with Treasury." (For example: Dr 2010, 2100, 3051; Cr 1100, 1801, 1802, 3011 (completed Work PFY)). Process DA Form 3970 for the resulting amount of collections (this installation) and of disbursements as a "Transaction for Others." Make collateral current fiscal year budgetary entry for total expenditures, including CFY and PFY, (Dr 3012; Cr 4501).

\* 4-19

4-22

Prior year expenditures reflected in GL 3011 will become adjusted by normal fiscal year closing entry.

(b) Close undelivered orders and commitments into "Uncommitted Allotments," (Dr 4601, 4801; Cr 4501).

(c) Enter the advice of revocation or change in accountability, (Dr 4501; Cr 1020).

(d) Concurrent with the above entries (a) to (c), corresponding entries will be made in allotment and/or commitment ledgers in the amounts of disbursements, accounts payable, undelivered orders, advice of revocation, and outstanding commitments. Such amounts will be excluded when preparing the month-end summary posting to the general ledger. Also, appropriate notations as to transfer will be made opposite each applicable item in the accrued expenditure and accounts receivable register.

(e) Prepare lists of documents and amounts making up the accounts payable, accounts receivable, undelivered orders, and outstanding commitments, and verify totals thereof with the respective amounts included in entries described in (a) and (b), above.

(f) Action to develop the preceding entries maybe taken in advance, but postings thereof will be deferred until receipt of the advice of revocation or change in accountability and all entries will be made concurrently.

(g) No entries will be made in the cost accounts.

\* (2) Furnish the transferee district copies of the journal entries and supporting lists, documents and files; copy of the DA Form 3970 mentioned in subpara (l)(a) above; and all cost ledgers for the project being transferred.

\* c. In the case of a(2) above, the transferring district will process DA Form 3970 for the purpose of changing the fiscal station number for prior disbursements. Copy thereof, together with allotment ledger, transaction register, cost accounts, and supporting documents will be sent to the transferee district. Notations as to transfer of accounts payable and receivable will be made in the registers and journal vouchers will be processed covering entries to applicable general ledger accounts as described in subpara b above.

d. A summary sheet will be prepared by the transferring district listing the trial balance amounts for each general ledger account applicable to the project and columnar breakdown by journal entry showing disposition of each amount. Entry b(1)(a) will be footnoted to show amounts of completed allotments, detailed by serial numbers, to agree with the amounts reflected in allotment ledgers transferred. Entry b(1)(c) will be footnoted as being

ER 37-345-10  
Change 23  
20 Aug 76

\* for "Revocation of Allotment" or "Change in Accountability" as the case may be. The original summary sheet will be furnished the transferee district, along with the records and documents being transferred, and a copy thereof will be sent to HQDA (DAEN-ECF-A) WASH DC 20314. \*

e. The transferee district will:

(1) Receive the records and documents mentioned in subparas b(2) and c above and make entries in the general ledger contra to those made by the transferring district, described in subparas b(1)(a) and (b) above. Also change by pen and ink, as appropriate, the fund citations appearing on the documents and advise the Finance and Accounting Officers to whom fund citations, sub-allotments, etc. had been issued of subject changes.

(2) Concurrently in the case of a(1) above, corresponding entries will be made in the allotment and/or commitment ledgers in the amounts of disbursements, accounts payable, undelivered orders, advice of allotment, and outstanding commitments. Such amounts will be excluded when preparing the month-end summary postings to the general ledger. For disbursements, the amount so posted will be \* verified with the validated copy of DA Form 3970, "Transaction by Others," received from the accounts office. The undelivered orders and outstanding commitments will be entered by individual documents aggregating the amounts reflected in the journal entry described in subpara b(1)(b) above.

(3) Enter the accounts payable and accounts receivable in the respective registers by individual documents aggregating the amounts reflected in the journal entry described in subpara b(1)(a) above. Such amounts will be excluded from the month-end summary postings to the general ledger.

(4) Enter the advice of allotment or change in accountability concurrently with the other entries covering the transfer.

(5) Continue maintenance of transferred cost accounts and other records described in b(2) and c above.

(6) Continue liquidation of accounts payable, taking all possible steps to avoid delays in payment to creditors.

(7) Continue collection action on accounts receivable.

f. When considered advantageous to the district involved, arrangements may be made between the districts for the transferring district to continue certain payment and/or collection actions to completion, following transactions for others procedures.

g. Information other than that prescribed above will be exchanged by the respective districts as may be necessary to insure proper accounting treatment. Instructions relative to transfer of cost ledgers and other data are contained in Chapter 7.

CHAPTER 5  
ALLOTMENT ACCOUNTING PROCEDURES

\* 5-1 General. Fiscal accounting records (commitment ledgers, allotment ledgers and transactions registers) will be maintained to record amounts of allotments (including O&MA funds made available by Approved Operating Budgets), commitments, obligations, accounts payable, and net disbursements following generally the policies and procedures stated in AR 37-108. ENG series forms are designed to provide efficient use of various bookkeeping machines in field operating agency offices. Alternative procedures for accounting for commitments are provided in this system. One procedure provides for maintaining a hand-posted commitment ledger and the machine-posted allotment ledger. The other procedure provides for maintaining commitment data on the allotment ledger. Commitment accounting is prescribed for certain military appropriation funds. Commitments to be recorded must be within the definition of a commitment as contained in AR 37-21. A procedure will be selected to be maintained with respect to each particular allotment or program, and so fulfill the objectives of commitment accounting. \*

\* 5-2 Commitment Ledger.

a. The commitment ledger (ENG Form 3040) is a hand-posted accounting record, maintained at allotment ledger level, the sole purpose of which is to control fund reservations and unobligated commitments (Illustration 5-15/2). Fund reservations are defined in AR 37-108. In general the commitment ledger should be maintained in numerical order by fiscal year by appropriation, budget program, and allotment serial number.

b. Fund reservation or commitment transactions will be recorded directly from individual documents. Advices of Allotment will also be posted directly to the commitment ledger in addition to the required posting to the allotment ledger.

c. Each individual disbursement or accounts payable transaction which increases obligations must first be processed through the commitment ledger to adjust the unreserved balance prior to recording the transaction in the allotment ledger.

d. The current month balance brought forward to column (6) will be determined by adding the unreserved balance as contained in column (8) to the unobligated commitments balance brought forward to column (4) and the fund reservations balance, column (3). The balance brought forward in column (6) represents the amount available for obligation, based on balances recorded in the commitment ledger. The difference between this balance and the unobligated balance contained in the allotment ledger will be adjusted as described in subpara e below.

e. Normally, adjustments which increase the unreserved balance column of the commitment ledger as a result of accounts payable and/or disbursement transactions, will not be processed through the commitment ledger on an individual document basis. Such adjustments generally in-

1 Mar 69

significantly increase unobligated and uncommitted balances. They will be made as of the end of the preceding month, by entering, in column (b) of the commitment ledger, the unobligated balance as contained in the related allotment ledger concurrently entering in column (7) the current month amount brought forward (previously recorded in column(6)).

f. When the unreserved balance shown in the commitment ledger is nearing exhaustion (e.g. at the end of a quarter), individual accounts payable and/or disbursement documents (or batches) may be journalized through the commitment ledger and adjustments made as frequently as appropriate in order to disclose the maximum amount available for reservation or commitment.

5-3. Allotment Ledger. The allotment ledger is used for accounting for funds at the allotment number or other accounting classification level, where it is required that records disclose violations of RS 3679 as implemented by AR 37-20. It may be used also for other accounting classifications where it is desired to disclose the unobligated balance of budgetary allowances or targets. When so used, a distribution of funds by the installation commander to budget subproject or other level below the allotment will not be considered a subdivision of funds within the meaning of RS 3679, unless the document making such distribution contains a positive statement such as "obligations incurred pursuant to this authority shall not exceed \$\_\_\_\_\_without either prior written approval of the issuer or an amendment to this authority." The allotment ledger is also prescribed for use for control accounts when related subsidiary accounts are maintained on that form. In general, the allotment ledgers should be maintained in numerical order by fiscal year, appropriation, budget program and allotment serial number and by program year for PEMA, RDT&E and construction appropriations. Transactions pertaining to the amounts of funds authorized (or authority to obligate) will be posted to the ledger directly from the Advices of Allotment (Sub-allotment) or Revocation or other funds distribution forms. Transactions incurring, increasing or canceling a commitment will be posted to the allotment ledger directly from the individual documents. Commitments liquidated, obligations, accounts payable, and net disbursements will be entered from summary posting run totals developed from postings to related subsidiary allotment ledgers or transaction registers maintained as described below. When no related subsidiary ledger or register is maintained (e.g. a suballotment received for a

1 Mar 69

specific job; stock funds) individual commitment, obligation, accounts payable and disbursing documents will be posted directly to the allotment ledger, following the procedure described in paragraph 5-4. When a separate commitment ledger is maintained, the unobligated commitment column of the allotment ledger will not be used. The following forms are prescribed for use as applicable. Although the forms have been designed for use on specific models of machines, use of the forms is not restricted to any particular make or model. Other forms will not be used without specific approval of the Chief of Engineers.

a. ENG Form 2106 Allotment Ledger (Burroughs)  
designed specifically for use on Burroughs Corporation Model F-503  
Sensimatic bookkeeping machines.

b. ENG Form 3036 , Allotment Ledger (NCR and R  
Rand) designed specifically for use on National Cash Register Company  
Class 31 bookkeeping machines and Remington Rand Company accounting  
and posting machines.

5-4. Transaction Register. The Transaction register is provided for optional use in recording transactions affecting accounting classifications below the level at which allotment ledgers are maintained (paragraph 5-3). In general, the transaction registers should be maintained in numerical order by allotment number and other accounting sub-classification numbers. Transactions incurring, increasing, or canceling a commitment will not be posted to the transaction register but will be posted to the related allotment ledger directly from the individual documents. Commitments liquidated, obligations, accounts payable, and disbursement transactions will be posted to the form directly from the individual documents. At the conclusion of each posting run the totals developed by the bookkeeping machine will be transferred to the corresponding columns of the related allotment ledger. When a separate commitment ledger is maintained the commitments liquidated column of the transaction register will not be used. The following forms are prescribed for use as applicable. Although the forms have been designed for use on specific models of machines, use of the forms is not restricted to any particular make or model. Other forms will not be used without specific approval of the Chief of Engineers.

a. ENG Form 3030 Transaction Register (Burroughs)  
designed specifically for use on Burroughs Corporation Model F-503  
Sensimatic bookkeeping machines.

b. ENG Form 3038 Transaction Register (NCR and  
R Rand) designed specifically for use on National Cash Register Company  
Class 31 bookkeeping machines and Remington Rand Company accounting and  
posting machines.

1 Mar 69

5-5 Control Accounts. A control account will be maintained for: (a) each appropriation and allotment or Approved Operating Budget serial number under which funds have been received from the Chief of Engineers; (b) all suballotments received from the Chief of Engineers; (c) all suballotments received from other sources. Detail posting will be made only to the ledger or register for the lowest accounting classification maintained, with summary amounts developed therefrom posted to intermediate or general control accounts. Similarly, postings to intermediate controls, when maintained, should develop postings to the control account at the next higher accounting classification. Generally, the amounts for such postings can be accumulated automatically as a by-product of bookkeeping machine entry of detail amounts in subsidiary registers or ledgers. Where this is not practicable, prelists, adding machine tapes of totals on subsidiary registers or ledgers, or other manual procedures should be employed.

5-6 Level of Maintenance. Allotment ledgers or transaction registers will be maintained as prescribed above, at the levels indicated in the following tabulation, and to the extent necessary to provide information required for fiscal reporting. These records will not be maintained at lower levels unless specifically authorized by the Chief of Engineers. In the tabulation, under each appropriation, line indentations indicate successively lower accounting classifications into which the next higher classification may be divided.

Allotment Ledgers/Transaction Registers - Level of Maintenance

Accounting Classification

Military Construction, Army

Military Construction, Army Reserve

Military Construction, Army National Guard

Appropriation

Allotment - By Number

Program Year Control

Budget Station Number

Public Law (See Note 1 below)

Reimbursable Order

Military Construction, Air Force

Military Construction, Air Force Reserve

Military Construction, Air National Guard

Appropriation

Allotment - By Number

Budget Authorization Account Number (BAAN)

(See Note 3 below)

Public Law (See Note I below)

Line Item (See Note 2 below)

Procurement of Equipment and Missiles, Army

Appropriation  
Allotment - By Number  
Program Year Control  
Budget Subproject  
Program Line Item (See Note 4 below)

Research, Development, Test and Evaluation, Army

Appropriation  
Allotment - By Number  
Program Year Control  
Budget Subproject  
Approved RDT&E Project  
Reimbursable Order

Operation and Maintenance, Army

Appropriation  
Allotment or AOB Currently Available - By Number  
Budget Program  
Budget Project  
Summary Cost Account

Working Funds

General Control  
Allotment - By Number

Suballotment Received

General Control  
Allotment - By Number

Other Appropriations and Funds

Appropriation  
Allotment - By Number  
Budget Program  
Budget Project  
Country

Note 1: Allotment ledgers or transaction registers may be maintained at authorizing Public Law level when supplemental control is considered advisable.

Note 2: Allotment ledgers or transaction registers may be maintained at line item level when specific limitations are imposed.

Note 3: On Air Force package programs where advice of allotment and work authorization are on the same form or are cross-referenced, the allotment is made on a BAAN level to each district. Amounts listed by location under the same BAAN for a package program are to be considered as line items within the district on which interim adjustment

1 Mar 69

may be made within the overall authorization for the BAAN upon approval of an initiation of action by the AFRCE to obtain required reprogramming of the AF Form 378. Program year identification is included in the BAAN; therefore program year control account is not required.

Note 4: Where detailed records below budget sub-project levels are maintained independently, the summary data will be recorded in the applicable budget subproject ledger.

5-7 Fiscal Year Procedures. Allotment ledgers and transaction registers covering no-year appropriations may be maintained on a cumulative basis, or balances may be brought forward, and the records maintained on a fiscal year basis, as desired by the installation commander. Where the latter option is exercised, new allotment ledger and transaction register sheets will be established at the beginning of each fiscal year with opening balances as follows (reference columns on ENG Forms 2106 and 3030):

<u>COLUMN</u>	<u>SOURCE OF POSTING</u>
F - Disbursements	No Posting
G - Accounts Payable	Balance of outstanding accounts payable at end of prior fiscal year
H - Undelivered Orders	Balance of undelivered orders at end of prior fiscal year.
I - Cumulative Obligations	No posting. Total is mechanically computed by posting to Columns G & H.
J - Unobligated Commitments, (Allotment ledger only, when used for commitment accounting)	Balance of outstanding commitments at end of prior fiscal year.
K - Funds Authorized (Allotment ledger only)	Unexpended balance (funds authorized less disbursements) at end of prior fiscal year (Col. K Minus F prior fiscal year).
L - Uncommitted or Unobligated Balance (Allotment Ledger only)	No posting. Balance is mechanically computed by entries in various columns. Balance must agree with balance at end of prior fiscal year.

Prior year allotment records will be retained pending financial completion of the allotment account.

5-8 General Ledger Postings. The summary of entries for the month on the appropriation and general control ledgers will be journalized on ENG Form 3007a and posted to the general ledger monthly, as follows:

1 Mar 69

a. Disbursements. The total net disbursements for the month will be debited account 4501 and credited to account 3012.

b. Accounts Payable. The net total increase in the accounts payable for the month will be debited to account 4501 and credited to account 3012. A net decrease will be posted to the same accounts in contra.

c. Undelivered Orders. The net total increase in undelivered order; for the month will be debited to account 4501 and credited to account 301. A net total decrease will be posted to the same accounts in contra.

d. Unobligated Commitments. The net total increase in unobligated commitments for the month will be debited to account 4501 and credited to account 4601. A net total decrease for the month will be posted to the same accounts in contra. Where a separate commitment ledger is maintained, general ledger entries relative to net changes in unobligated commitments will be journalized from the commitment ledger.

e. Funds Authorized. No posting will be made from this column to the general ledger, since the amounts of allotments and revocations are accumulated in the Funds Receipt. and Disbursements Register for Summary posting to the general ledger, or by Journal Entry posting to the general ledger for O&MA funds authorized in AOB.

ER 37-345-10  
Change 11  
11 Aug 70

5-9 Documents Recorded in Allotment Accounts. The provisions of pertinent portions of Sections III through IX, Chapter 4, AR 37-108, are applicable as modified herein. In addition to the documents. stated in AR 37-108, bureau vouchers, ENG Forms 3005 and 3006, will be entered as accounts payable. The disbursements recorded in the allotment ledgers will not be reduced by the value of the applicable uncollected accounts receivable; therefore, ENG Form 3006a and other documents representing uncollected amounts due (accounts receivable) will not be posted to the allotment accounts. O&MA fund availability will be entered by means of Journal Entry pursuant to AOB.

5-10 Objective Classification. a. Object class coding of all transactions will be in accordance with AR 37-100, as amplified below.

b. Billings by Revolving Fund.

(1) Amounts will be recorded under the ultimately charged appropriations by the following object classes, as applicable:

- \*                    1100 Personnel compensation, for all employees paid initially by the Revolving Fund.
- 1200 Personnel benefits, applicable to code 1100.
- 2100 Travel and transportation of persona:
- 2110 U.S. Personnel stationed abroad (IBOP).
- 2120 U.S. Personnel stationed U.S. traveling abroad (IBOP).
- 2130 U.S. Personnel travel paid to foreign carriers (IBOP).
- 2140 Travel of direct hire foreign national personnel (IBOP).
- 2150 Travel of indirect hire foreign national personnel (IBOP).
- 2190 All other travel.
- 2570 Purchased services: includes services rendered by the Revolving Fund not allocated to other objects
- 2600 Supplies and materials (warehouse issues):
- 2610 Supplies (except POL, ADP, medical and aircraft).
- 2620 Aircraft POL.
- 2630 Ship POL.
- 2640 Other POL.
- 2650 ADP Supplies.
- 2660 Medical Supplies.
- 3100 Equipment (warehouse issues).
- Individual billings of less than \$5.00 will be classified as 2570.                    \*

(2) For reporting purposes (e. g., report of Obligations by Object Class (RCS CSCFA-212); Manpower Utilization and Requirements Report, DA Form 2153, and supplemental attachments as applicable, RCS CSFOR-78;) the amounts reflected for personal services will include only the obligations and expenditures recorded for "personnel compensation" in the accounts.

(3) (a) Reimbursable orders on the Revolving Fund (DA Form 2544) will be coded under object class 2570.

(b) Estimates of accrued expenditures, other than labor, will be recorded under object class 2570 when more than one object class is involved in the actual transfers (para 7-27). This applies to distributions of plant, equipment and facilities operations, overhead, etc. Estimated labor charge distributions, to be paid initially from the Revolving Fund will be classified as 1100 and 1200.

(c) Subsequent actual cost distributions will be supported by memorandum records reflecting the proper objective class breakdown. These records will be used as the basis for ENG Form 3006 to adjust the estimated expenditure previously entered in the records and to record the actual amounts under the proper objective classes.

c. Bills from offices other than Corps offices will be objectively classified as 2570.

\* d. This paragraph relates to object classification of Supervision  
\* and Administration (S&A) costs of military construction defined and discussed in Chapters 6 and 7.

(1) Total strength, man-months, and corresponding obligations (classes 1100, 1200, 1600, 1700, and 2800) for costs of S&A will be accounted for under the funds charged for S&A distribution, and so reported on DA Form 2153 and supplemental attachments, as applicable. by the office employing the personnel.

ER 37-345-10  
Change 30  
24 Nov 80

(2) Charges for S&A to account 805 distributed from account 465.806 will be coded under the paying funds as objective classifications 1100, 1200, 1600, 1700, 2110, 2120, 2130, 2140, 2150, 2190, 2570, and 2800, as applicable. Codes 2110, 2120, 2130, 2140, 2150, and 2190 include costs for travel and transportation of persons charged to account 465.802. - from functional accounts (460. - series) as well as direct charges to the S&A account 465.802. -. For the overhead portion, travel will be included in code 2570.

(3) Transfers of balances to Baltimore District, recorded in account 465.807, will be coded 2570 under the paying funds.

(4) Collections of S&A costs from Baltimore District which are treated as appropriation refunds in accordance with para 7-13h(3) will also be coded 2570.

#### 5-11 Program Year Classification

- \* a. These instructions apply to commitments, obligations and expenditures under the following appropriations:

Procurement of Equipment and Missiles, Army  
Research Development, Test and Evaluation, Army  
Family Housing Management Account  
Military Construction, Army  
Military Construction, Army Reserve  
Military Construction, Air Force  
Military Construction, Air Force Reserve  
Military Construction, Air National Guard

\*

b. The first digit of the allotment number preceding the operating agency code on each commitment, obligating and expenditure document will reflect the program year regardless of the year in which the transactions actually occur.

c. Adjustments to obligations incurred in previous years will not be separately identified nor reported. They will be combined with all "then current year transactions related to the particular program year affected.

d. Procedures will be locally established to assure that all documents received which authorize commitment or obligation actions (e. g., reimbursable orders accepted; construction or procurement directives received) contain information relative to the applicable program year for citation on commitment obligation and disbursement documents, and other information needed for compiling data to meet reporting requirements.

e. Initial obligations and expenditures applicable to distributive accounts (e. g., cost accounts in the 500, 700 and 800 series) will be coded Program Year 62 and prior. Obligation and expenditure adjustments for distributions of costs will be coded for the applicable program years charged and credited. Since accounting for construction program line items is on a cost accrued (work in place) basis, with obligation data maintained by installation (budget station number), obligations by program line item may be computed for reporting purposes by adding an appropriate proration of the undelivered orders to the funded cost data which is identified by program year (and program line item), see OCE Supplement 1 to AR 37-1 08.

f. Construction line items are identified to the applicable program year in construction directives. For MCA, execution program annexes to the CEOP identify each item to the program year (ER 415-35-1). Commencing with program year 1963, the Air Force provides program year identification of construction line items (MCAF, MCAFR and MCANG, P321, P331, P341, P351) by using a prefix digit in the BAAN. Except for P341, the program year 1962 and prior is identified by the BAAN without a prefix digit; for P341, the prefix digit "2" is used.

g. Planning work, unlike construction, is a continuous activity and (except for Family Housing) is not susceptible to line item identification by program year. Accordingly, advices of allotment will identify the applicable program year, where appropriate. Other pertinent factors to consider are as follows:

(1) MCA (21X2050) P6300 and MCAR (21X2086) P8651. The program year scope will be the dollar value of work funded under the appropriation for a fiscal year. The use of these funds will follow the principle of "first-allotted first-obligated," i. e., funds available under the earliest prior program year will be first cited.

(2) Army Family Housing (21-97X0700) P1841. The fiscal year designation, shown with the appropriation symbol in allotment documents, is the program year.

(3) MCAF (57X3300), MCAFR (57X3730), MCANG (57X3830), P313 and AF Family Housing (57-97X0700) P714.

(a) The program year for Air Force planning funds is denoted by a prefix digit in the BAAN. For P313, BAANs 6-007, 7-008 and 8-009 are program years 1966, 1967 and 1968, respectively. For P714, BAANs 7-006 and 7-008 are program year 1967; 8-008 and 8-009 are program year 1968.

(b) MCAF (57X3300) and MCAFR (57X3730) planning funds are allotted at P313 level without program year (BAAN) identification. The use of these funds by BAANs will be reflected in status of allotment reports.

ER 37-345-10  
Change 30  
24 Nov 80

h. Obligations which implement programs approved for FY 63 and each subsequent FY will reflect the corresponding year designation in the first digit of the allotment serial number preceding the operating agency code, e.g., "308-." Obligations incurred after 30 June 1962 which are implementing programs approved for FY 62 or prior years will reflect a "2" in the first digit of the allotment serial number preceding the operating agency code.

i. (Rescinded.)

j. Adjustments after 30 June 1962 applicable to obligations incurred prior to 1 July 1962 in MCA, MCAR, MCAF, MCAFR, and MCANG will be coded as Program Year 62, unless specifically directed otherwise.

\* 5-12 Administrative Control of Funds.

a. Responsibility.

(1) District/Division Engineers and the heads of other Corps activities are responsible for administrative control of funds and may delegate such control to one or more persons. If delegation is to more than one, responsibility and authority of each should be in writing. If it is to only one person, authority to redelegate should also be included. We recommend delegation to the Comptroller with authority to redelegate. The responsibility redelegated by the Comptroller would be to Chiefs of Divisions and Separate Offices of the District. A sample redelegation to chiefs of other divisions and separate offices would contain similar instructions, modified to fit the particular organization or functions.

TO: Chief, Engineering Division  
SUBJECT: Administrative Control of Funds

1. You are hereby delegated responsibility for management and control of all funds contained and approved in the current year operating budget (program to be charged to appropriated funds) for the Engineering Division, including any funds suballocated from other offices of the District. You are responsible for establishing those operational controls necessary to assure that you do not exceed obligation/expenditure limits assigned in your approved program of work. Funds management must take place before execution of the work.

\* 2. In the event trends indicate the need to exceed previously established funds limitations, you are responsible for notifying the Comptroller or Program Development Officer for decision to either acquire additional funds, or cease work. These actions must be taken in sufficient time to allow for the securing of additional funds or orderly cessation of work.

3. The Finance and Accounting Office will provide you with status reports on funds utilization. Also, prior to incurrence of contractual obligations, certification of funds availability must be obtained from the F&AO. For detailed instructions on administrative control of appropriated funds, see District Regulation No. 37-1-1, dated 1 July 1977.

(2) Authority to certify funds availability will be delegated to the Finance and Accounting Officer by the Installation Commander. This delegation will be by inclusion in FOA local regulation. The F&A Officer must redelegate this authority in writing to other F&A personnel who may certify in his/her name. The F&A Officer may also redelegate this authority, up to limits of bulk commitments issued to others such as Project Engineers, where such procedures are in effect.

b. Legislative and Administrative Limitations.

(1) The applicable provisions of AR 37-20 and OCE Supplement to AR 37-20 will be followed without deviation.

\* (2) Reports of violation will be submitted in accordance with the provisions of AR 37-20 as implemented by OCE Supplement to AR 37-20, to HQDA (DAEN-RMF) WASH DC 20314.

(3) The following clarification has been issued by the Comptroller of the Army in regard to reportable violations of Section 3679, RS, on overrun of estimates for reimbursable work performed by Revolving Fund, Corps of Engineers, Civil. In instances where funds are obligated on an estimated basis in the project accounts to reimburse the Revolving Fund for actual charges incurred for maintenance and operation of equipment, financing of common inventories, etc., it has been determined by the Comptroller of the Army that if the actual charges exceed such estimates, no reportable violation of Section 3679, Revised Statutes, occurs until or unless such excess is billed against such project. The Comptroller of the Army has pointed out, however, that the practice of allowing or incurring costs in the Revolving Fund in excess of fund limitations imposed on an' given project is considered contrary to sound management practices.

ER 37-345-10  
Change 30  
24 Nov 80

(4) While the above ruling allows each installation and activity time in which to obtain additional funds to cover the lack of project funds due to underestimating of such charges as cited in subparagraph (3) above, it does not necessarily allow large amounts to remain unbilled in the Revolving Fund for a long period of time due to lack of proper funds. Care should be exercised in the application of the ruling to maintain financial management on a sound basis. It is recognized, however, that reimbursable work on an estimated basis cannot always be performed in any given month to or within an exact amount.

(5) There is nothing contained in subparagraphs (3) and (4) above which should be construed as authorizing the commencement of work prior to the receipt of an allotment of funds. Neither should it be construed that work may continue beyond any month where the estimate for the previous month has been exceeded and funds are not available in the project to continue the reimbursable work. Whenever it becomes apparent that work requirements are in danger of exceeding project funds, work should be halted until additional funds are made available. Estimates for reimbursable work to be performed by the Revolving Fund for a given month must be made at the beginning of the month and must be realistic to cover the work to be performed. Sufficient funds must be available in the project for the estimated work to be performed, and the work performed must be within the scope of work covered by the estimate.

\* c. Prevalidation of Documents.

(1) General. Normally the Finance and Accounting Officer will delegate to an assistant having ready access to the commitment ledgers or allotment ledgers authority in writing for certifying to the propriety and availability of funds cited.

(2) Prevalidation of Commitments. A minimum of two copies of every commitment document will be submitted to the Finance and Accounting Officer for prevalidation as to propriety and availability of funds cited prior to recording a commitment. If the funds cited are proper and available, a certificate to that effect will be placed on two copies of the commitment document. The certificate may be rubber stamped on the commitment document and will conform generally with the certificate used on Miscellaneous Commitment Document, ENG Form 3039. The rubber stamp should also provide space for insertion of month and year of liquidation of the commitment. One of the certified copies will be initialled and immediately recorded in the commitment ledger or the allotment ledger as applicable and the other certified copy will be signed and returned to the originator. If the funds cited are not proper or available, a statement to that effect will be placed on one copy of the document and both copies will be



\* d. Commitment Accounting. (1) General. The principles contained in these procedures are consistent with AR 37-21 and are applicable to the appropriations listed in para 5-11a(1), this regulation. Commitment accounting will be maintained at allotment, suballotment, or other funding level at which a violation of Section 3679, Revised Statutes may appear. Commitments are firm administrative reservations of funds based upon specific documentation authorizing the creation of an obligation without further recourse to the official responsible for certifying the availability of funds. It is not intended that every obligation be preceded by a commitment (AR 37-21); however, it is mandatory that necessary adjustment be made to the pertinent uncommitted balance record prior to or concurrent with the recording of an obligation. Where a separate commitment ledger\* procedure is followed, such adjustment may be summarized in bulk total for each posting run. The point at which a commitment becomes a valid obligation is governed by the provisions of AR 37-21.

(2) (Rescinded)

(3) Miscellaneous Commitment Documents. Commitments for which no specific form is available will be documented on ENG Form 3039 Miscellaneous Commitment Document (Illustration 5-11/1). This form will be initiated by the official requesting a firm administrative reservation of funds. It will be submitted in the original and one copy to the employee designated by the Finance and Accounting Officer to approve such requests. Upon approval the original will be signed for the F&AO and returned to the initiator and the copy will be initialed and recorded in the commitment or allotment ledger.

(4) Unobligated Commitment Files. (a) Upon recording a commitment, the document will be filed pending receipt of an obligation document (or documents) in liquidation of the commitment. A file of unobligated commitment documents will be maintained for each separate allotment ledger. Within each file the documents will be filed by class of document (e.g. requisitions; requests for travel; miscellaneous

commitment documents), and within each document class by consecutive numerical sequence (e.g., reqn 57-20; 57-23; 57-29; requests for travel OVHVF 57-2; OVHVF 57-17; MCD 57-2; 57-19). Upon liquidation of a commitment (by an obligation) the unobligated commitment document will be withdrawn from file and attached to the related obligating document, or cross referenced by month and year liquidated and filed in a commitments liquidated file maintained by fiscal year, class of document, and consecutive numerical sequence within each document class.

(b) The documents in the unobligated commitments file will be reviewed monthly for validity and assurance that continuance of the commitment is justified. Follow-up action will be taken to obtain obligating documents from the source which initiated the commitment action when such action is considered warranted (e.g. , request for travel not obligated after travel was scheduled to commence).

(c) Unobligated commitments pertinent to allotments not available for obligation after the close of the fiscal year will be cancelled at the end of the fiscal year as provided in AR 37-108.

e. Obligation Accounting.

(1) General. The prerequisites for determining and recording obligations under the provisions of Sec. 1311, PL 663 and DOD Directive 7220.6 are contained in AR 37-21.

\* (2) Citation of Fiscal Year Limited Appropriations On Contracts.

(a) The provisions of this section apply only to contracts that cite one year or multiple year appropriations that expire for obligation at a specified time. The provisions of AR 37-21, paragraphs 2-10a(1) through (5), 55 Comp. Gen. 768 (B-132900), 61 Comp. Gen. 610 (B-195732), 31 U.S.C. 1502, PL 96-436 (military only) and the guidance in the succeeding subparagraphs apply to contracts that cite these fiscal year limited appropriations, and exceptions thereto.

(b) When a contract is awarded it must include a citation to the appropriation(s) which is/are to be obligated. Once obligated no new appropriation may be added to the contract except by supplemental agreement covering new work outside the basic contract scope. For example, a contract was awarded citing FY 83 OMA funds, symbol 2132020. The three denotes this fund is available for obligation in Fiscal Year 1983. Since it is a limited year appropriation, change orders, overruns, changed conditions and similar adjustments throughout the life of the contract must cite the same appropriation no matter when they occur. OMA funds appropriated in FY 84 or 85 etc. may not be legally obligated under this contract for in scope price adjustments. The same principle applies to obligation authority received by reimbursable

ER 37-345-10  
Change 37  
19 Nov 84

\* order. Limits applicable to the ordering appropriation govern. Statutory and Comptroller General Decision exceptions to this principle have been made in the case of contracts citing military construction appropriations and in certain cases involving discretionary cost increases to a cost-reimbursement contract. These exceptions are covered in the succeeding paragraphs.

1 10 U.S.C. 2860 contains the following provision:

"(a) Subject to the provisions of appropriation Acts and except as otherwise provided under subsection(b), any funds appropriated to a military department or defense agency for the construction of military projects may be obligated for a military construction project or contract, or for any portion of such a project or contract, at any time before the end of fourth fiscal year after the fiscal year for which funds for such project were appropriated if the funds obligated for such project (1) are obligated from funds available for military construction projects, and (2) do not exceed the amount appropriated for such project, plus any amount by which the cost of such project is increased pursuant to law.

"(b) Should a requirement develop to obligate funds for a military construction project after the end of the fourth fiscal year after the fiscal year for which such funds were appropriated, such obligation may be made after the end of the 21-day period beginning on the date on which the appropriate committees of Congress receive notification of the need for such obligation and the reasons therefor."

The above cited section provides the necessary authority to permit citation of more than one fiscal year military construction appropriation on a contract for in scope change orders, quantity variations, changed conditions, etc. This means that an MCA (or any other military construction appropriation) funded project or contract may be funded from more than one fiscal year appropriation.

2 Comptroller General Decision B-195732, dated 23 September 1982 (61 Comp. Gen. 610), modifies the previous decision rendered on 11 June 1980 (59 Comp. Gen. 518), concerning the proper appropriation to charge for a cost overrun of a cost-plus-fixed-fee-contract. The principle established that a fiscal year limited appropriation may only be charged for contracts executed to meet the bona fide needs of that year is not changed. However, where there are discretionary cost increases in a cost-reimbursement contract the guidance is as follows:

Discretionary cost increases in a cost-reimbursement contract which exceed contractually stipulated ceilings, and which are not based on an antecedent liability, enforceable by the contractor, may be charged to \*

\* either the funds current when the discretionary increases are granted or the funds cited on the original contract, at the option of the FOA affected. Similar increases which do not exceed a contractually stipulated ceiling must be charged to the funds cited on the original contract. \*

\* (3) Intradistrict Transactions.

(a) Except as modified by (b) below, an obligation to cover anticipated billings from the Revolving Fund (or other fund - see para 7-7, this regulation) for labor, travel, transportation services, equipment usage, overhead and other estimated costs will be established on a miscellaneous obligation document for each project at the beginning of each month. Individual billings received during the month will be recorded thereon as liquidations. After the final (actual or estimated) cost distribution from the Revolving Fund (or other fund) for the month has been recorded as an accrued expenditure in the allotment account and the amount liquidated on the obligation record, any unliquidated balance of the estimated obligation will be cancelled.

(b) In any month except the final month of each fiscal quarter if local controls are considered by the District Commander to be sufficient to preclude overobligation of project funds without the recording of estimated obligations for each project at the beginning of each month, obligations and accrued expenditures may be recorded simultaneously on the bases of cost distributions. Interim reports on obligations which may be prepared during a month will include estimated amounts of obligations for payrolls and other Revolving Fund (or other fund) charges expected to be chargeable to projects through the end of the month being reported regardless of whether the obligations have been recorded in the allotment accounts.

(c) Obligating military construction engineering and design (E&D) and supervision and administration (SM). Instructions which follow apply only to installations that have the Civil Works Revolving Fund.

1 Engineering and design. Allotments available for E&D work under no-year appropriations will be obligated for the estimated total costs of E&D by Government forces (direct costs, indirect technical costs, and overhead) financed initially by the Revolving Fund. For such work under an annual appropriation, the obligation will be for only the estimated Government forces E&D to be performed in the one fiscal year. The obligations will be recorded in accordance with the following:

a E&D of a line item by contract. The Government forces E&D portion of the approved phase (budget sketches and estimates, preliminaries, finals) of E&D will be obligated at the time related A/E contracts or modifications are obligated. For example, when an A/E contract covers budget sketches and estimates, only the estimated Government forces E&D applicable to that phase will be obligated; later, when the A/K contract is extended to cover design, the estimated Government forces EM) applicable to that phase will be obligated.

b E&D of a line item with Government forces. When decision is made to accomplish a phase of E&D of a line item with Government forces-, the estimated cost of the phase will be obligated at the time the phase is ready to begin. For example, when the phase covering budget sketches and estimates is ready to begin, the amount of the currently approved working estimate (CWE) therefor will be obligated. Likewise, when criteria from the using service have been received and design is ready to begin, the amount of the approved CWE for the authorized design phase will be obligated. If design of a line item is interrupted for a significant. period of time, funds obligated therefor should be released for use on other items that are ready to proceed.

c Engineering costs for checking shop drawings will not be obligated until the construction contract is obligated. Engineering costs applicable to contract modifications will be obligated when need for modification engineering materializes.

\*

2 Supervision and administration. Funds available for contract construction work under multi-year appropriations will be obligated for the estimated cost of SM to be incurred during the remaining period these funds are available for obligations when the related contracts or modifications are issued. When contract work extends past the period available for obligations, an obligation for that period will be established when funds for that period are received. For such work under an annual appropriation the obligation will be for only the estimated S&A for one fiscal year. When the contract work extends into the next fiscal year, an

\*

ER 37-345-10  
Change 29  
30 Jun 80

obligation for S&A will be established when the next fiscal years funds are available for obligation. In those cases where contractor claims are recognized and settled after the work is physically complete and the funds cited in the contract have since expired, the claim settlement is considered an obligation adjustment. It is also appropriate to consider the uniform military SM charge an obligation adjustment. Such charge for S&A would be charged to the same fund as the claim settlement itself.

\*

3 Order on the Revolving Fund. Except as provided in last sentence of a below, the obligation will be based on DA Form 2544, Intra-Army Order for Reimbursable Services.

ER 37-345-10  
Change 37  
19 Nov 84

a A separate order will be prepared for the amount of Government forces E&D for all line items within a single planning fund entity (e.g., program year for MCA; BAAN for MCAF) or for each line item, to cover both the E&D performed in-house and the Government forces E&D related to A/E contracts. A list of all line items within a fund entity with CWE amount for each approved design phase will be attached to the order or amendment thereto. The total of all such CWE amounts for approved design phases will be obligated as one amount. Liquidations, representing cost distributions from the Revolving Fund to a fund entity, or line item, will be applied to each such order. Amendments to the order should be processed when CWE\*s for approved design phases are revised, new phases of design are approved, or design items are deleted or deferred. Engineering costs for modifications for which the engineering effort is not expected to exceed \$500 each may be obligated in accordance with subpara 5-12e (3)(a) or (b), rather than by use of DA Form 2544.

b It may be practicable to prepare only one order for the S&A of contract construction for each line item. Where this is impracticable, a separate order will be prepared for the S&A applicable to each contract.

c The classifications "Funded" and "Automatic" in block 1 of the form will be left blank. The organizational element responsible for supervising and administering the E&D or the construction will be shown in block 4, and block 7 will be executed by a responsible official of that element. "Revolving Fund, CE, Civil ( office )" will be shown in block 5. The order will be accepted in block 11 by an appropriate member of the Comptroller staff.

\* (4) Orders on Civil Works Revolving Fund for S&A. Instructions which follow apply only to offices which do not have the Civil Works Revolving Fund and which have construction projects operated under the uniform S&A rate procedure (e.g. , Europe Division). Such offices will prepare and accept reimbursable orders (DA Form 2544) on the Revolving Fund for estimated S&A services as outlined in para 5-12e(3)(c) above, in view of the accounting relationships established between the Revolving Fund and the Military Construction projects operating under the uniform S&A rate procedure. These orders will be limited to projects operating under the Corps-wide S&A rate; they will be adjusted monthly to equal estimated project unliquidated S&A obligations (undelivered orders) beyond the end of the current month with allowances (reductions) for obligation amounts applicable to other than the Revolving Fund, so that the total is realistic.

- \* (5) Inter-district DA Forms 2544. These forms will include in block six the ultimate six-digit ENG Form 3018b or seven-digit ENG Form 3018c report item code that will be used by the ordering district. This information will enable the performing district to properly identify the ultimate appropriation to be charged as well as to assure the proper categorization of costs of services rendered on its ENG Form 3018b or c, as appropriate. For example, the ordering district will ultimately report the work as ENG Form 3018c item code 23111A2 and will so indicate on the DA Form 2544. The performing district can then properly identify the ultimate appropriation as Military Construction, Army and code its ENG Form 3018c costs as 44111A1 to properly show the work as direct funded engineering effort relatable to construction.
  
- \* (6) (Reserved)

- \* (7) Rental Agreements - Nominal Consideration. When the consideration stated in a rental agreement is a nominal amount (\$1.00 - \$50.00) the full amount will be obligated against funds available upon execution of the agreement. When the consideration is more than \$50.00 the provisions of paragraph 2-8g(1) or (2), AR 37-21 will be followed -- the selection of method depending upon availability of funds within the operating programs.
- \* (8) Travel. Under the option in para 2-20a(3), AR 37-21, estimated amounts for travel orders will be obligated at the time the orders are issued; all other provisions of para 2-20, AR 37-21 will be observed.
- \* (9) Severance Pay (PL 89-301). Basis for obligating a military appropriation will be DA Form 3717, Miscellaneous Obligation Document obtained from the personnel officer. An appropriate notice from the personnel officer to the finance and accounting officer concerning the employment status, will serve to modify the unpaid obligations.
- \* (10) Return of Materiel to Inventory. Fund credits received for materiel returned to an inventory in the Army Supply System will be accounted for as reductions in obligations as provided in para 7-113, AR 37-108, by reduction of accounts payable. Informal control over such returns will be maintained as provided in para 7-114, AR 37-108.
- \* (11) Utilization of Prior Year Single Year Funds. The greatest utilization will be made of the carry-over unobligated balance, and the amounts of deobligations and downward adjustments in obligations pertaining to a prior year single year appropriation. Current year funds will not be used to cover obligations legally chargeable to prior year funds. Examples of conditions under which prior years\* funds may be obligated follow:
  - (a) Adjustment due to accounting errors.
  - (b) Obligations legally chargeable to prior year funds which were not obligated during the applicable fiscal year.
  - (c) Obligations erroneously charged to another appropriation.
  - (d) Contract adjustment where the scope of the contract is not changed.

\* (12) Miscellaneous Obligation Documents. Certain items, such as personal services, communication services, some intra-government transactions, etc., are of such a nature that no specific document is readily available for recording as an obligation. When required, each obligation of this type will be documented on a Miscellaneous Obligation Document, DA Form 3717, which will be numbered serially commencing with No. 1 at the beginning of each fiscal year. In every instance it will be initiated by an individual who is in a position to make an accurate estimate of the amount of the obligation, signed and forwarded to the Finance and Accounting Branch for entry to the allotment ledger. This form, when prepared in accordance with the foregoing, constitutes the written administrative determination specified in AR 37-21.

\* (13) Unpaid Obligations Files. (a) General. Files of unliquidated obligation documents will be maintained in the Finance Accounting Section by allotments to support the "Undelivered Orders" and "Accounts Payable" columns of the allotment ledger. Periodically, all unpaid obligating documents (undelivered orders and accounts payable) will be examined to determine that the amounts represented thereby are properly stated and are supported by documentary evidence as required by Section 1311, Public Law 663, 83rd Congress, as implemented by AR 37-21. To insure the validity of obligating documents at the end of a fiscal year, a complete (100%) examination will be made beginning no earlier than 1 Aug and completed no later than the closing of books as of 30 September.

(b) Undelivered Order Files. These files will be composed of copies (copy No. 2 para 5-12c(1) of contracts, purchase orders, travel orders, partial payment records, and other obligating documents authorizing the performance of services or the delivery of articles which have not been accomplished. Documents will be placed in the file when they have been certified in accordance with para 5-12(3)(b) and posted to the allotment ledger. Documents will be removed from the file when the related bureau voucher evidencing accomplishment is prepared and posted to the allotment ledger. In the case of partial delivery or performance, the value thereof will be entered in the expenditure column of DA Form 3717, the unliquidated balance computed and the form replaced in the file.

(c) Accounts Payable Files. These files will consist of (1) incomplete bureau voucher jacket assemblies and (2) copies of obligation documents representing completed assemblies in process of audit and payment. Each bureau voucher will become the basis of a jacket assembly in which will be placed the receiving report, earnings estimate, purchase order, invoice or other related documents, (see para 4-7). Bureau voucher jackets will be assembled and placed in the file when the bureau voucher has been posted in the allotment ledger. They will be removed from the file and replaced with a copy (No. 2) of the obligating document when the related invoice is ready for

audit and payment. The copy of the obligating document will be removed from the file when the related disbursement voucher is posted to the allotment ledger.

5-13 Reconciliation of Ledger Account Balances with Supporting Documents. Periodic reconciliations will be effected as follows:

a. Undelivered orders documents will be inventoried once each month. The total of the inventory pertaining to an allotment will be verified with the undelivered orders balance contained in the corresponding allotment ledger. The sum total of all inventories of undelivered orders documents will be verified with the balance contained in General Ledger Account 4801, Undelivered Orders.

b. Unobligated commitment documents will be inventoried once each month. The total of the inventory pertaining to an allotment will be verified with the unobligated commitment balance contained in the corresponding allotment ledger (or commitment ledger where a separate commitment ledger is maintained). The sum total of all inventories of unobligated commitment documents will be verified with the balance contained in General Ledger Account 4601, Unobligated Commitments.

d. Accounts Payable documents will be inventoried monthly, as provided in paragraph 4-7g.

5-14 Year-end Status of Project Orders. The unliquidated obligations (undelivered orders plus accounts payable) represented by project orders will be analyzed as of 30 Sept of each fiscal year for each general and special appropriation, and the following data will be shown as a footnote on the last page of the status of allotment report for the month of Sept:

a. The amount which represents obligations to the public or to other appropriation accounts \$\_\_\_\_\_

b. The amount which has been obligated by reason of the issuance of a project order, but which has not yet been obligated to the public or to other appropriation accounts by action of the performing installation \$\_\_\_\_\_

c. The total amount of unliquidated project order obligations (items 1 and 2 above) \$\_\_\_\_\_

5-15 Forms. The integration of formal commitment accounting into the accounting system contemplates the use of the following additional forms. Supplies of these forms will be requisitioned through normal supply channels.

a. ENG Form 3039, Miscellaneous Commitment Document (Illustration 5-15/1).

b. ENG Form 3040, Commitment Ledger (Illustration 5-15/2).



COMMITMENT LEDGER							PAGE NO. 1	
ACCOUNTING DESCRIPTION (Appropriation, Allotment, Program, etc.)								
57X3360		077-2223		P-321		Theo Gressel AFB		BAAN 111
LINE NO.	DATE	REFERENCE	FUND RESERVATIONS	UNOBLIGATED COMMITMENTS		AVAILABLE FOR COMMITMENT OR RESERVATION		UNRESERVED BALANCE
				AUTHORIZED	LIQUIDATED	INCREASES	DECREASES	
1	March 3 1958	14-127 No. XXX				1100		1100
2	17	DA Form 662 No. XXXX		20				1080
3	18	Reqn No. XXXX		75				1005
4	24	P. O. No. XXXX			75	5		1010
5	28	Letter of Request dated XXXX	5					1005
6	31	Petty Cash Reimbursement Voucher No. XXXX					2	1003
7		TOTALS	5	95	75	1105	2	1003
8	April 1 1958	Brought Forward	5	20		1028		1003
9	1	MCD NO. XXXX		165				838
10	3	Reqn No. XXXX		35				803
11	9	Contract No. XXXX			165	5		808
12	10	March 31, 1958, Unobligated Balance in						
13		the allotment ledger				1038	1028	810
14	30	Petty Cash Reimbursement Voucher No. XXXX					7	811
15		TOTALS	5	220	165	2071	1035	811
16	May 1 1958	Brought Forward	5	55		871		811
17				Explanation of Transactions				
18		Line 1 - Allotment received; Line 2 - request	for travel committed; Line 3 - requisition committed; Line 4 - obligation incurred for \$70.					
19		liquidating a \$75 commitment; Line 5 - reserved for administrative contingencies; Line 6 - disbursed without prior commitment; Line 7 - self-						
20		explanatory; Line 8 - balances of columns 3, 4 and 5 (net), and 8, brought forward. Amount in column 6 is developed by totaling amounts brought						
21		forward in columns 3, 4, and 8; Line 9 - commitment incurred for pending contract change order; Line 10 - requisition committed; Line 11 -						
22		contract change order issued for \$160, commitment liquidated \$165; Lines 12 and 13 - adjustment to column 8 made based on unobligated balance in the						
23		allotment ledger as of 31 March 1958, reversing line 8 column 6 entry by entry in column 7 and entering in column 6 the proper unobligated balance as						
24		of 31 Mar; Line 14 disbursed without prior commitment; Line 15 self explanatory; Line 16 - same as Line 8.						
25				Note:				
26		Normally this ledger will be maintained by manual posting. This illustration has been typewritten to permit greater legibility of reproduction						
27								

## CHAPTER 6

### COEMIS ADP COST ACCOUNTS/CEFMS WORK CATEGORIES

<u>Topic</u>	<u>Paragraph</u>	<u>Page</u>
General	6-1	6-1
Structure	6-2	6-1
Authorized COEMIS ADP Cost Accounts/ CEFMS Work Categories	6-3	6-1
Descriptions of COEMIS ADP Cost Codes/ CEFMS Work Categories	6-4	6-11
APPENDIX I Description of Elements of Construction Costs		6-I-1

CHAPTER 6

Corps of Engineers Management Information System  
(COEMIS) ADP Cost Accounts/Corps of Engineers Financial  
Management System (CEFMS) Work Categories

6-1. General. This chapter prescribes the COEMIS ADP Cost Accounts/CEFMS Work Categories to be used in recording costs related to accomplishment of the military construction and other military missions of the Corps of Engineers. Detailed descriptions of the cost accounts/work categories not currently included in this chapter will be added as they become available from the technical proponents.

6-2. Structure. COEMIS ADP Cost Accounts/CEFMS Work Categories are alphanumeric codes designed to record and track specific categories of cost. In COEMIS, the ADP cost account is entered into the last five positions of the ADP work code and becomes an integral part of the full fifteen (15) character ADP work code. In CEFMS, authorized work categories are included in selection tables from which the user can select. Once selected, the work category is linked to the work item and becomes an integral part of the relational data base records for the work item.

6-3. Authorized COEMIS ADP Cost Accounts/CEFMS Work Categories. The COEMIS ADP Cost Accounts/CEFMS Work Categories listed below are the only cost accounts/work categories currently authorized for use. However, subordinate commands with special requirements may request that additional cost accounts/work categories be added to the authorized list. As a general rule, requests must be made in writing and forwarded through appropriate command channels to HQUSACE (CERM-F) for approval. In emergency situations requiring immediate action, requests may, however, be made by telephone and subsequently confirmed in writing.

COEMIS ADP COST ACCOUNTS/CEFMS WORK CATEGORIES ACCOUNT

ACCOUNT  
NUMBER

TITLE

1----- <sup>1/</sup> PLANNING AND DESIGN (P&D) - EXCEPT BRAC  
ENVIRONMENTAL PROGRAMS, DERP HTRW PROGRAMS  
AND HOST NATION PROJECTS

<sup>1/</sup>SUMMARY COST ACCOUNT/WORK CATEGORY - COSTS MAY NOT BE CHARGED  
DIRECTLY TO THESE ACCOUNTS.

ER 37-345-10  
Change 52  
30 Sep 96

ACCOUNT  
NUMBER

TITLE

1A---	<sup>1/</sup>	P&D RELATED TO CONSTRUCTION
1A1--	<sup>1/</sup>	SUPERVISION AND REVIEW (S&R) OF DESIGN
1A110		S&R OF AE CONTRACTS
1A120		S&R OF IN-HOUSE DESIGN
1A130		S&R OF VALUE ENGINEERING BY AE CONTRACT
1A140		S&R OF IN-HOUSE VALUE ENGINEERING
1A200		VALUE ENGINEERING ACTIVITIES
1A300		AE LIABILITY ACTIVITIES
1A400		ALL OTHER
1B---	<sup>1/</sup>	P&D NOT RELATED TO CONSTRUCTION
1B1--	<sup>1/</sup>	SUPERVISION AND REVIEW (S&R) OF DESIGN
1B110		S&R OF AE CONTRACTS
1B120		S&R OF IN-HOUSE DESIGN
1B130		S&R OF VALUE ENGINEERING BY AE CONTRACT
1B140		S&R OF IN-HOUSE VALUE ENGINEERING
1B200		VALUE ENGINEERING ACTIVITIES
1B300		AE LIABILITY ACTIVITIES
1B400		ALL OTHER
1C000		LOST/DELETED DESIGN (MEMO)
1D000		DESIGN BREAKAGE
2----	<sup>1/</sup>	CONSTRUCTION - EXCEPT BRAC ENVIRONMENTAL PROGRAMS, DERP HTRW PROGRAMS AND HOST NATION PROJECTS
2A---	<sup>1/</sup>	CONSTRUCTION SUBJECT TO UNIFORM FLAT RATE S&A
2A100		DIRECT CONSTRUCTION ACTIVITIES (PLACEMENT)
2A200		WORK PERFORMED BY INSTALLATION ENGINEER
2A300		CONTRACT PAID BY OTHER THAN USACE (MEMO PLACEMENT)
2A400		FLAT RATE S&A
2B---	<sup>1/</sup>	CONSTRUCTION EXEMPT FROM FLAT RATE S&A
2B100		DIRECT CONSTRUCTION ACTIVITIES (PLACEMENT)
2B200		WORK PERFORMED BY INSTALLATION ENGINEER
2B300		CONTRACT PAID BY OTHER THAN USACE (MEMO PLACEMENT)
2B400		AT COST S&A
2C000		ENGINEERING DURING CONSTRUCTION
2D000		VALUE ENGINEERING CHANGE PROPOSALS

<sup>1/</sup>SUMMARY COST ACCOUNT/WORK CATEGORY - COSTS MAY NOT BE CHARGED  
DIRECTLY TO THESE ACCOUNTS.

<u>ACCOUNT NUMBER</u>	<u>TITLE</u>
3----- 1/	REAL ESTATE
3A000	PROJECT PLANNING
3B000	ACQUISITIONS
3C000	CONDEMNATIONS
3D000	INLEASING
3E--- 1/	APPRAISALS
3E100	STAFF APPRAISALS
3E200	CONTRACT APPRAISALS
3E300	REVIEW CONTRACT APPRAISALS
3F000	RELOCATION ASSISTANCE
3G--- 1/	TEMPORARY PERMITS
3G100	MANEUVER PERMITS
3G200	ALL OTHER PERMITS
3G300	DAMAGE CLAIMS
3H000	AUDITS
3J000	ENCROACHMENTS AND TRESPASS
3K000	DISPOSALS
3L000	REAL PROPERTY ACCOUNTABILITY
3R--- 1/	REAL ESTATE PAYMENTS
3R100	LAND PAYMENTS
3R200	RELOCATION ASSISTANCE PAYMENTS
3R300	DAMAGE PAYMENTS
3R400	RENTS
3S000	REAL ESTATE RECEIPTS
3T--- 1/	INSPECTIONS
3T100	UTILIZATION INSPECTIONS
3T200	COMPLIANCE INSPECTIONS
3U--- 1/	OUTGRANTS
3U100	OUTGRANTS OTHER THAN OIL AND GAS LEASES
3U200	OIL AND GAS LEASES
3V000	TIMBER HARVESTING
3W000	PROJECT RELATED ADMINISTRATION
3Z000	OTHER (CONVERSION USE ONLY - NOT FOR USE AFTER CONVERSION)
4----- 1/	HOMEOWNERS ASSISTANCE PROGRAM
4A000	APPLICATIONS
4B000	REJECTIONS
4C--- 1/	APPRAISALS
4C100	STAFF APPRAISALS

1/SUMMARY COST ACCOUNT/WORK CATEGORY - COSTS MAY NOT BE CHARGED  
DIRECTLY TO THESE ACCOUNTS.

ER 37-345-10  
Change 52  
30 Sep 96

<u>ACCOUNT NUMBER</u>	<u>TITLE</u>
4C200	CONTRACT APPRAISALS
4D000	PRIVATE SALE/REAL PROPERTY
4E000	PURCHASE/ASSUMPTIONS
4F000	FORECLOSURES
4G000	APPEALS
4H000	DISPOSALS
4J--- <sup>1/</sup>	IMPACT STUDY
4J100	STAFF STUDY
4J200	CONTRACT STUDY
4K--- <sup>1/</sup>	PAYMENTS
4K100	EQUITY PAYMENTS TO HOMEOWNERS
4K200	LIQUIDATION OF FIRST MORTGAGE/LIENS
4K300	LIQUIDATION OF SECONDARY AND OTHER MORTGAGE/LIENS
4K400	MORTGAGES PAYABLE ASSUMED
4K500	REIMBURSEMENT FOR LOSS ON PRIVATE SALES
4K600	REIMBURSEMENT FOR LOSS ON REAL PROPERTY
4K700	HOMEOWNERS BENEFIT PAYMENTS
4K800	PAYMENTS IN FORECLOSURE CASES
4L--- <sup>1/</sup>	PROGRAM ADMINISTRATION/MANAGEMENT
4L100	USACE ACQUISITION/MANAGEMENT & DISPOSAL ADMIN EXPENSES
4L200	OTHER ACQUISITION PROGRAM EXPENSES
4L300	OTHER MANAGEMENT & DISPOSAL PROGRAM EXPENSES
4Z000	OTHER (CONVERSION USE ONLY - NOT AUTHORIZED FOR USE AFTER CONVERSION)
5----- <sup>1/</sup>	HOST NATION
5A--- <sup>1/</sup>	P&D RELATED TO CONSTRUCTION
5A100	SUPERVISION AND REVIEW OF AE CONTRACTS
5A200	VALUE ENGINEERING ACTIVITIES
5A300	AE LIABILITY ACTIVITIES
5A400	ALL OTHER
5B--- <sup>1/</sup>	P&D NOT RELATED TO CONSTRUCTION
5B100	SUPERVISION AND REVIEW OF AE CONTRACTS
5B200	VALUE ENGINEERING ACTIVITIES
5B300	AE LIABILITY ACTIVITIES
5B400	ALL OTHER
5C000	LOST/DELETED DESIGN
5D000	DESIGN BREAKAGE

<sup>1/</sup>SUMMARY COST ACCOUNT/WORK CATEGORY - COSTS MAY NOT BE CHARGED  
DIRECTLY TO THESE ACCOUNTS.

<u>ACCOUNT NUMBER</u>	<u>TITLE</u>
5E--- <sup>1/</sup>	CONSTRUCTION EXEMPT FROM FLAT RATE S&A
5E100	DIRECT CONSTRUCTION ACTIVITIES (PLACEMENT)
5E200	CONTRACT PAID BY OTHER THAN USACE (MEMO PLACEMENT)
5E300	AT COST S&A
5F000	ENGINEERING DURING CONSTRUCTION
5G00	VALUE ENGINEERING CHANGE PROPOSALS
6---- <sup>1/</sup>	RESEARCH, DEVELOPMENT, TEST AND EVALUATION (RDT&E)
61--- <sup>1/</sup>	CIVIL ENGINEERING
611-- <sup>1/</sup>	CAPITAL ASSETS
61110	BUILDINGS
61120	OTHER STRUCTURES AND FACILITIES
61130	SOFTWARE
61140	EQUIPMENT
61150	CAPITAL LEASES
61160	LEASEHOLD IMPROVEMENTS
61190	OTHER CAPITAL ASSETS
61900	ALL OTHER CIVIL ENGINEERING ACTIVITIES
62--- <sup>1/</sup>	ENVIRONMENTAL QUALITY
621-- <sup>1/</sup>	CAPITAL ASSETS
62110	BUILDINGS
62120	OTHER STRUCTURES AND FACILITIES
62130	SOFTWARE
62140	EQUIPMENT
62150	CAPITAL LEASES
62160	LEASEHOLD IMPROVEMENTS
62190	OTHER CAPITAL ASSETS
62900	ALL OTHER ENVIRONMENTAL QUALITY
69--- <sup>1/</sup>	OTHER RESEARCH AND DEVELOPMENT
691-- <sup>1/</sup>	CAPITAL ASSETS
69110	BUILDINGS
69120	OTHER STRUCTURES AND FACILITIES
69130	SOFTWARE
69140	EQUIPMENT
69150	CAPITAL LEASES
69160	LEASEHOLD IMPROVEMENTS
69190	OTHER CAPITAL ASSETS
69900	ALL OTHER ACTIVITIES

<sup>1/</sup>SUMMARY COST ACCOUNT/WORK CATEGORY – COSTS MAY NOT BE CHARGED DIRECTLY TO THESE ACCOUNTS.

ER 37-345-10  
Change 52  
30 Sep 96

ACCOUNT  
NUMBER

TITLE

72--- 1/ HTRW/OEW PROGRAM PRECONSTRUCTION AND PROJECT  
MANAGEMENT  
721-- 1/ PROJECT MANAGEMENT  
72110 PROJECT MANAGEMENT PLAN  
72120 DATA MAINTENANCE AND REPORTING  
72130 MANAGEMENT DIRECTIVES  
72140 CUSTOMER AND INTERAGENCY AGREEMENTS  
72150 PROJECT AUTHORIZATION DOCUMENTS  
72160 PROGRAMMING DOCUMENTS  
72170 PROJECT RELATED AWARDS  
72180 ALL OTHERS  
722-- 1/ INVESTIGATIONS (PROJECT DEVELOPMENT AND  
PLANNING)  
7221X IN-HOUSE AGREEMENTS  
7222X AE PROFESSIONAL SERVICE PROCUREMENT  
7223X AE PROFESSIONAL SERVICE CONTRACTS  
7224X AE SUPERVISION & REVIEW  
7225X CUSTOMER TECHNICAL ASSISTANCE  
7226X ALL OTHER (TO INCLUDE PRP PAYMENTS)

CODE (X) TYPE OF INVESTIGATION

A PRELIMINARY ASSESSMENTS (PA)  
B SITE INSPECTIONS (SI)  
C COMBINED (PASI)  
D REMEDIAL INVESTIGATIONS (RI)  
E FEASIBILITY STUDIES (FS)  
F COMBINES (RIFS)  
G ENVIRONMENTAL EVALUATION/COST ANALYSIS  
(EECA)  
H ENVIRONMENTAL COMPLIANCE ASSESSMENTS  
(ECAR)  
I RCRA FACILITY ASSESSMENTS (RFA)  
J RCRA FACILITY INVESTIGATIONS (RFI)  
K RCRA CORRECTIVE MEASURES STUDIES (CMS)  
L RCRA CORRECTIVE ACTION PLANS (CAP)  
M RCRA CLOSURE PLANS (CP)  
N UNDERGROUND STORAGE TANK STUDIES (UST)  
P NCR FACILITY DECOMMISSIONING PLANS (NCR  
FD)

1/SUMMARY COST ACCOUNT/WORK CATEGORY - COSTS MAY NOT BE CHARGED  
DIRECTLY TO THESE ACCOUNTS.

ACCOUNT  
NUMBER

TITLE

CODE (X) TYPE OF INVESTIGATION (CONTINUED)

Q DOE CONCEPTUAL DESIGNS (DOE CD)  
 R TREATABILITY STUDIES  
 T SITE SURVEYS (PREDESIGN AND OTHER)  
 U GEOTECHNICAL SITE INVESTIGATIONS  
 V CHEMISTRY SITE INVESTIGATIONS  
 W VALUE ENGINEERING SCREENING/  
 INVESTIGATIONS  
 X INVEST. PER OTHER APPLICABLE OR RELEVANT  
 AND APPROPRIATE REQUIREMENTS (ARAR)  
 Y POTENTIAL RESPONSIBLE PARTY (PRP)  
 1 NEPA INVESTIGATIONS  
 2 ENDANGERED SPECIES ACT (ESA)  
 CONSULTATIONS  
 3 ESA BIOLOGICAL ASSESSMENTS  
 4 CLEAN WATER ACT (CWA) 404 (B)  
 EVALUATIONS  
 5 CWA WETLANDS EVALUATIONS  
 6 HISTORICAL/ARCHEO/CULTURAL SURVEYS  
 7 OTHERS

723-- <sup>1/</sup>

REMEDIAL DESIGN

7231X IN-HOUSE WORK AGREEMENTS  
 7232X AE PROFESSIONAL SERVICE PROCUREMENT  
 7233X AE PROFESSIONAL SERVICE CONTRACTS  
 7234X AE SUPERVISION & REVIEW  
 7235X CUSTOMER TECHNICAL ASSISTANCE  
 7236X VALUE ENGINEERING  
 7237X ALL OTHER

CODE (X) TYPE OF DESIGN

A CONCEPT  
 B PRELIMINARY  
 C INTERMEDIATE  
 D PREFINAL  
 E FINAL  
 F ALL OTHER

<sup>1/</sup>SUMMARY COST ACCOUNT/WORK CATEGORY - COSTS MAY NOT BE CHARGED  
 DIRECTLY TO THESE ACCOUNTS.

ER 37-345-10  
Change 52  
30 Sep 96

<u>ACCOUNT NUMBER</u>	<u>TITLE</u>
73--- <sup>1/</sup>	CONSTRUCTION (REMEDIAL ACTION) - EXCEPT RAPID RESPONSE
73100	WORK AGREEMENTS (SUBJECT TO FLAT RATE)
73200	ENGINEERING DURING CONSTRUCTION
73300	SUPERVISION & ADMINISTRATION (S&A) - FLAT RATE
73500	WORK AGREEMENTS (EXEMPT FROM FLAT RATE)
73600	SUPERVISION & ADMINISTRATION (EXEMPT FROM FLAT RATE)
7R--- <sup>1/</sup>	CONSTRUCTION (REMEDIAL ACTION) - RAPID RESPONSE
7R100	WORK AGREEMENTS (SUBJECT TO FLAT RATE)
7R200	ENGINEERING DURING CONSTRUCTION
7R300	SUPERVISION & ADMINISTRATION (S&A) - FLAT RATE
7R500	WORK AGREEMENTS (EXEMPT FROM FLAT RATE)
7R600	SUPERVISION & ADMINISTRATION (EXEMPT FROM FLAT RATE)
74--- <sup>1/</sup>	HTRW PROGRAM POST CONSTRUCTION & FINANCIAL CLOSEOUT
741-- <sup>1/</sup>	FISCAL/FINANCIAL CLOSEOUT ACTIVITIES
74110	WORK AGREEMENTS
74120	CLOSED FINANCIAL ACCOUNTS, DD FORMS 1149
742-- <sup>1/</sup>	OPERATION & MAINTENANCE (O&M) ACTIVITIES
74210	O&M PLANNING DOCUMENTS
74220	O&M EXECUTION DOCUMENTS
74230	POST CONSTRUCTION O&M
75--- <sup>1/</sup>	MANAGEMENT AND SUPPORT FUNDS
75100	HQUSACE
75200	MSC
75300	MCX
75400	OTHER
8---- <sup>1/</sup>	MISCELLANEOUS ACTIVITIES
8A000	INDUSTRIAL HYGIENE/OCCUPATIONAL HEALTH ACTIVITIES
8D000	UNFUNDED MILITARY PERSONNEL SERVICES
8C000	REIMBURSABLE LABOR TRANSFERS
8E000	EMERGENCY OPERATIONS/EXERCISES
8F--- <sup>1/</sup>	FMS ADMINISTRATION
8F1-- <sup>1/</sup>	HQUSACE
8F1A0	PROGRAM MANAGEMENT
8F1B0	RESOURCE MANAGEMENT
8F1Z0	ALL OTHER

<sup>1/</sup>SUMMARY COST ACCOUNT/WORK CATEGORY - COSTS MAY NOT BE CHARGED DIRECTLY TO THESE ACCOUNTS.

<u>ACCOUNT NUMBER</u>	<u>TITLE</u>
8F2-- 1/	MSC
8F2A0	PROGRAM MANAGEMENT
8F2B0	RESOURCE MANAGEMENT
8F2Z0	ALL OTHER
8F900	ALL OTHER
8B000	ALL OTHER
9---- 1/	EXECUTIVE DIRECTION AND MANAGEMENT
91--- 1/	EXECUTIVE DIRECTION AND MANAGEMENT - HQUSACE
91A-- 1/	INFORMATION MANAGEMENT ACTIVITIES
91A1- 1/	ADMINISTRATION
91A11	PLANNING
91A12	BUDGETING
91A13	GENERAL MANAGEMENT
91A19	ALL OTHER
91A2- 1/	LIBRARY
91A21	PUBLIC LIBRARY SERVICES
91A22	LEARNING RESOURCE CENTER
91A29	ALL OTHER
91A3- 1/	RECORDS MANAGEMENT
91A31	MAIL
91A32	FILE MANAGEMENT
91A39	ALL OTHER
91A4- 1/	REPRODUCTION MANAGEMENT
91A41	FORMS MANAGEMENT
91A42	PUBLICATIONS MANAGEMENT
91A43	COPIER PROGRAM
91A44	PRINTING/DUPLICATING SUPPORT
91A49	ALL OTHER
91A5- 1/	AUTOMATION SUPPORT
91A51	HARDWARE SUPPORT (HELP) OPERATIONS
91A52	SOFTWARE SUPPORT (HELP) OPERATIONS
91A53	GENERAL SOFTWARE DEVELOPMENT
91A54	END USER ACQUISITION SUPPORT
91A55	CEAP IA SUPPORT
91A59	ALL OTHER
91A6- 1/	TELECOMMUNICATIONS
91A61	TELECOMMUNICATION SUPPORT
91A62	LAN SUPPORT
91A63	COMMUNICATION CENTER

1/ SUMMARY COST ACCOUNT/WORK CATEGORY - COSTS MAY NOT BE CHARGED DIRECTLY TO THESE ACCOUNTS.

ER 37-345-10  
Change 52  
30 Sep 96

<u>ACCOUNT</u> <u>NUMBER</u>	<u>TITLE</u>
91A69	ALL OTHER
91A70	VISUAL INFORMATION
91B-- 1/	MILITARY PROGRAM ACTIVITIES
91B10	ENVIRONMENTAL RESTORATION ACTIVITIES
91B20	BRAC ACTIVITIES
91B30	FMS ACTIVITIES
91B90	ALL OTHER ACTIVITIES
91C-- 1/	HECSA MANAGED HEADQUARTERS ACTIVITIES
91C10	DARSE
91C20	VSIP/VERA
91C90	ALL OTHER
91D00	OCE - PENTAGON
91Z00	ALL OTHER
92--- 1/	EXECUTIVE DEVELOPMENT AND MANAGEMENT - MSC OFFICES
92A-- 1/	INFORMATION MANAGEMENT ACTIVITIES
92A1- 1/	INFORMATION MANAGEMENT OFFICE
92A11	PLANNING
92A12	BUDGETING
92A13	GENERAL MANAGEMENT
92A19	ALL OTHER
92A2- 1/	LIBRARY
92A21	PUBLIC LIBRARY SERVICES
92A22	LEARNING RESOURCE CENTER
92A29	ALL OTHER
92A3- 1/	RECORDS MANAGEMENT
92A31	MAIL
92A32	FILE MANAGEMENT
92A39	ALL OTHER
92A5- 1/	AUTOMATION SUPPORT
92A51	HARDWARE SUPPORT (HELP) OPERATIONS
92A52	SOFTWARE SUPPORT (HELP) OPERATIONS
92A53	GENERAL SOFTWARE DEVELOPMENT
92A54	END USER ACQUISITION SUPPORT
92A55	CEAP IA SUPPORT
92A59	ALL OTHER
92A6- 1/	TELECOMMUNICATIONS
92A61	TELECOMMUNICATION SUPPORT
92A62	LAN SUPPORT
92A63	COMMUNICATION CENTER
92A69	ALL OTHER

1/ SUMMARY COST ACCOUNT/WORK CATEGORY - COSTS MAY NOT BE CHARGED DIRECTLY TO THESE ACCOUNTS.

<u>ACCOUNT NUMBER</u>	<u>TITLE</u>
92A70	VISUAL INFORMATION
92Z00	ALL OTHER
93000	EXECUTIVE DEVELOPMENT AND MANAGEMENT - MISCELLANEOUS ACTIVITIES
96000	HUMPHREYS ENGINEER CENTER SUPPORT ACTIVITY
99000	ALL OTHER

6-4. Descriptions of COEMIS ADP Cost Codes/CEFMS Work Categories. The COEMIS ADP Cost Codes/CEFMS Work Categories listed in the preceding chart are described and/or further broken down into detail accounts, as follows:

<u>ACCOUNT NUMBER</u>	<u>TITLE AND DESCRIPTION</u>
1---- <sup>1/</sup>	<u>PLANNING AND DESIGN (P&amp;D) - EXCEPT BRAC ENVIRONMENTAL PROGRAMS. DERP HTRW PROGRAMS AND HOST NATION PROJECTS.</u> This cost account/work category includes all planning and design activities that result in a set of plans, specifications, instructions, publications, test results, findings, reports, etc. for follow-On construction, operation, maintenance, design, or use.
1A--- <sup>1/</sup>	<u>P&amp;D RELATED TO CONSTRUCTION.</u> This cost account/work category includes all costs specified under the line item appropriation "Planning and Design" in the Military Construction Authorization Act.
1A1-- <sup>1/</sup>	<u>SUPERVISION AND REVIEW (S&amp;R) OF DESIGN.</u> This cost account/work category summarizes all costs associated with the supervision and review of design products produced by both government (in-house) forces and AE contractors. This cost account/work category also summarizes costs associated with the procurement and management of AE contracts.

<sup>1/</sup> SUMMARY COST ACCOUNT/WORK CATEGORY - COSTS MAY NOT BE CHARGED DIRECTLY TO THESE ACCOUNTS.

ER 37-345-10  
Change 52  
30 Sep 96

ACCOUNT  
NUMBER

TITLE

- 1A110      S&R of AE Contracts. This cost account/work category includes all costs associated with the procurement and management of AE contract including the review of design products produced by an AE under the terms of a contract.
- 1A120      S&R of In-House Design. This cost account/work category includes all costs associated with the supervision and review of in-house design efforts and products.
- 1A130      S&R of Value Engineering by AE Contract. This cost account/work category includes all costs associated with the supervision and review of value engineering studies/activities and products accomplished by AE contractors.
- 1A140      S&R of In-House Value Engineering. This cost account/work category includes all costs associated with the supervision and review of value engineering studies/activities and products accomplished by in-house forces.
- 1A200      Value Engineering Activities. This cost account/work category includes all costs associated with actual performance of value engineering studies and related activities by in-house forces and AE contractors (labor, travel, contracts, etc.). Costs associated with the S&R of value engineering activities should be charged to 1A130 and 1A140 as appropriate.
- 1A300      AE Liability Activities. This cost account/work category includes all direct labor costs related to the investigation and pursuit of AE liability for potential damages incurred by the government prior to construction contract award or start. This will include administrative duties performed by the AE Responsibility Coordinator from inception of the case to resolution as well as review of documents and development of case files by the technical staff.

<sup>1/</sup> SUMMARY COST ACCOUNT/WORK CATEGORY – COSTS MAY NOT BE CHARGED DIRECTLY TO THESE ACCOUNTS.

ACCOUNT  
NUMBER

TITLE

1A400      All Other.

(1) For designs by government forces or hired labor (COEMIS Field Types 224 through 339) this account includes all government labor costs associated with the direct in-house design of plans and specifications that are intended for follow-on construction.

(2) For AE contracts (COEMIS Field Type 298) this account includes all contract costs for AE services including project site investigation; testing; surveys; mapping; reviews; and preparation of sketches, cost estimates, plans, specifications and construction contract documents for the use of follow-on construction activities.

1B--- <sup>1/</sup>      P&D NOT RELATED TO CONSTRUCTION. This cost account/work category includes all costs for government labor, AE and technical services (not covered under the Brooks Act) that are for other than the production of plans and specifications or packages for follow-on construction.

1B1-- <sup>1/</sup>      SUPERVISION AND REVIEW (S&R) OF DESIGN. This cost account/work category summarizes all costs associated with the supervision and review of design products produced by both government (in-house) forces and AE contractors. This account also summarizes costs associated with the procurement and management of AE contracts.

1B110      S&R of AE Contracts. This cost account/work category includes all costs associated with the procurement and management of AE contract including the review of design products produced by an AE under the terms of a contract.

1B120      S&R of In-House Design. This cost account/work category includes all costs associated with the

<sup>1/</sup>SUMMARY COST ACCOUNT/WORK CATEGORY – COSTS MAY NOT BE CHARGED DIRECTLY TO THESE ACCOUNTS.

ER 37-345-10  
Change 52  
30 Sep 96

ACCOUNT  
NUMBER

TITLE

supervision and review of in-house design efforts and products.

- 1B130      S&R of Value Engineering by AE Contract. This cost account/work category includes all costs associated with the supervision and review of value engineering studies/activities and products accomplished by AE contractors.
- 1B140      S&R of In-House Value Engineering. This cost account/work category includes all costs associated with the supervision and review of value engineering studies/activities and products accomplished by in-house forces.
- 1B200      Value Engineering Activities. This cost account/work category includes all costs associated with actual performance of value engineering studies and related activities by in-house forces and AE contractors (labor, travel, contracts, etc.). Costs associated with the S&R of value engineering activities should be charged to 1A130 and 1A140 as appropriate.
- 1B300      AE Liability Activities. This cost account/work category includes all direct labor costs related to the investigation and pursuit of AE liability for potential damages incurred by the government due to AE failure to deliver acceptable product. This will include administrative duties performed by the AE Responsibility Coordinator from inception of the case to resolution as well as review of documents and development of case file by technical staff. AE liability actions and review of modifications by Counsel, Procurement and other General and Administrative staff will be charged to General and Administrative overhead.
- 1B400      All Other.

<sup>1</sup>/SUMMARY COST ACCOUNT/WORK CATEGORY – COSTS MAY NOT BE CHARGED DIRECTLY TO THESE ACCOUNTS.

ACCOUNT  
NUMBER

TITLE

(1) For designs by government forces or hired labor (COEMIS Field Types 224 through 339) this account includes all government costs associated with the direct in-house design of plans and specifications that are intended for follow-on construction.

(2) For AE contracts (COEMIS Field Type 298) this account includes all contract costs for AE services including project site investigation; testing; surveys; mapping; reviews; and preparation of sketches, cost estimates, plans, specifications and construction contract documents for the use of follow-on construction activities.

1C000 LOST/DELETED DESIGN (MEMO). This cost account/work category includes all costs for changes for re-design of work which has already been accomplished but which must be scrapped and redone prior to award of a construction contract.

1D000 DESIGN BREAKAGE. This cost account/work category includes all planning and design (P&D) expenditures, i.e., all "1A" accounts only, for the design portions of design, reviews and other P&D related services for military construction projects, where the design was started but canceled or where the design was completed but the project was not constructed and occupied for its intended purpose, for whatever reason. The cost of a design or a portion of a design which has been completed and shelved temporarily because of deferral of the construction project or a part of the construction project to a subsequent year is not BREAKAGE but becomes BREAKAGE when and if the project will be considered cancelled rather than merely deferred or placed on hold. The cost of a design or part of a design completed and shelved also becomes breakage when there has been no design activity in the preceding three years and the project is not included in the administration\*s five year budget forecast. In addition, projects awarded

<sup>1</sup>/SUMMARY COST ACCOUNT/WORK CATEGORY – COSTS MAY NOT BE CHARGED DIRECTLY TO THESE ACCOUNTS.

ER 37-345-10  
Change 52  
30 Sep 96

ACCOUNT  
NUMBER

TITLE

to a construction contractor that are terminated for the convenience of the government for whatever reason prior to being completed and utilized for the intended purpose of the project will be considered to become BREAKAGE for all P&D costs incurred. Design breakage must be transferred from the active design cost account(s) work categories (1A series) to this cost account/work category when design breakage occurs.

2----- <sup>1/</sup> CONSTRUCTION - EXCEPT BRAC ENVIRONMENTAL PROGRAMS. DERP HTRW PROGRAMS AND HOST NATION PROJECTS. This cost account/work category includes all military construction costs to include all contract and government labor costs utilized upon award of one or more parts of a construction project to a construction contractor up to and including financial completion of all contracts under the construction project.

2A--- <sup>1/</sup> CONSTRUCTION SUBJECT TO FLAT RATE S&A. This cost account/work category includes all contract and government labor costs associated with a construction project. Total expenditures from this series of accounts/work items, except those accumulated in 2A400 S&A Flat Rate, are multiplied by an approved flat rate percentage to determine the applicable S&A expense charged to projects. (See ER 415-1-16, Table 3-1 and Table 3-2, for appropriations subject to flat rates.)

2A100 Direct Construction Activities (Placement). This cost account/work category includes all costs related to performing the following:

- a. Primary Construction Contract. All amounts paid to the primary construction contractor.
- b. Utility Contracts. All amounts paid for support contracts and purchase orders for temporary hook-up

<sup>1/</sup>SUMMARY COST ACCOUNT/WORK CATEGORY - COSTS MAY NOT BE CHARGED DIRECTLY TO THESE ACCOUNTS.

ACCOUNT  
NUMBER

TITLE

to local utilities such as electric, water, gas, etc. during the construction or interim O&M phases.

c. Electrical Installation. All amounts paid for support contracts and purchase orders for installation of telecommunication, alarm systems, computer hook-up, etc. during construction or during interim O&M.

d. Local Fees, Permits and Taxes. All purchase orders to pay for local fees, permits and taxes.

e. Training and Operation Manuals. All amounts paid for support contracts and purchase orders for training and operations manuals that are not a part of the primary construction contract.

f. Testing (Soil, Lab, Survey, etc.). All amounts paid for support contracts and purchase orders for testing services that are not a part of the primary construction contract.

g. Government Furnished Property (GFP). All amounts paid for support contracts and purchase orders for GFP, or materials provided by the government to the construction contractor for contract installation.

h. Interim O&M. All amounts paid for support contracts and purchase orders for operation of the facility after contract completion on an interim or test basis.

i. AE Support. All amounts paid for support contracts and purchase orders for an AE to perform management services and reviews of the construction and construction plans, provisions, specifications, test data, shop drawings and other construction related documents after award of the construction contract. However, these services can in no way supplement or replace S&A services whose contract and

<sup>1</sup>/SUMMARY COST ACCOUNT/WORK CATEGORY - COSTS MAY NOT BE CHARGED DIRECTLY TO THESE ACCOUNTS.

ER 37-345-10  
Change 52  
30 Sep 96

ACCOUNT  
NUMBER

TITLE

purchase order costs must be charged against the revolving fund account just as S&A labor costs are charged.

j. Life Support Housing and Support Facilities. All amounts paid for support contracts and purchase orders for OCONUS life support housing and support facilities.

k. Preparation of As-Built Drawings. All contract charges for changing the record set of drawings in accordance with the primary contractors red line mark-up.

l. Support Direct Labor. All government labor charges after award of the construction contract for services other than Engineering During Construction (EDC) and Supervision and Administration (S&A), such as turnkey design and as built drawings.

2A200 Work Performed by Installation Engineer.

2A300 Contract Paid by Other Than USACE (Memo Placement). This cost account/work category includes the same type costs as recorded in cost account/work categories 2A100 and 2A200, however, the Corps of Engineers does not finance the construction contract with their carrier funds. The requesting agency, through use of a 'direct fund cite\*' gives the Corps of Engineers authority to award a construction contract citing the requesting agency\*s funds on the contracting documents. To credit the Corps activity with the construction contract placement (workload) and to generate appropriate project S&A expense, memo placement is used to record contractor earnings.

2A400 Flat Rate S&A. Costs in this account/work category are system generated based on a flat rate percentage applied to costs accumulated in 2A100, 2A200 and

<sup>1</sup>/SUMMARY COST ACCOUNT/WORK CATEGORY – COSTS MAY NOT BE CHARGED DIRECTLY TO THESE ACCOUNTS.

ACCOUNT  
NUMBER

TITLE

2A300 accounts. Costs in the 2A400 account/work category represent S&A expense charged to projects.

2B--- <sup>1/</sup>

CONSTRUCTION EXEMPT FROM FLAT RATE S&A. This cost account/work category includes all contract and government labor cost categories for projects exempt from flat rate S&A. Requests for waiver to use at-cost procedures rather than flat rate procedures for appropriations not exempt from the flat rate must be approved in writing by CEMP-CM. (See ER 415-1-16, Table 3-3, for appropriations exempt from flat rates.)

2B100

Direct Construction Activities (Placement). This cost account/work category includes all costs related to performing the following:

- a. Primary Construction Contract. All amounts paid to the primary construction contractor.
- b. Utility Contracts. All amounts paid for support contracts and purchase orders for temporary hook-up to local utilities such as electric, water, gas, etc. during the construction or interim O&M phases.
- c. Electrical Installation. All amounts paid for support contracts and purchase orders for installation of telecommunication, alarm systems, computer hook-up, etc. during construction or during interim O&M.
- d. Local Fees, Permits and Taxes. All purchase orders to pay for local fees, permits and taxes.
- e. Training and Operation Manuals. All amounts paid for support contracts and purchase orders for training and operations manuals that are not a part of the primary construction contract.

<sup>1/</sup>SUMMARY COST ACCOUNT/WORK CATEGORY – COSTS MAY NOT BE CHARGED DIRECTLY TO THESE ACCOUNTS.

ER 37-345-10  
Change 52  
30 Sep 96

ACCOUNT  
NUMBER

TITLE

f. Testing (Soil, Lab, Survey, etc.). All amounts paid for support contracts and purchase orders for testing services that are not a part of the primary construction contract or part of quality assurance testing chargeable to S&A.

g. Government Furnished Property (GFP). All amounts paid for support contracts and purchase orders for GFP, or materials provided by the government to the construction contractor for contract installation.

h. Interim O&M. All amounts paid for support contracts and purchase orders for operation of the facility after contract completion on an interim or test basis.

i. Life Support Housing and Support Facilities. All amounts paid for support contracts and purchase orders for OCONUS life support housing and support facilities. Cost of temporary project/resident office (primarily for one project) when not provided by the installation will be included in this account for both CONUS and OCONUS.

j. Preparation of As-Built Drawings. All contract charges for changing the record set of drawings in accordance with the primary contractors red line mark-up.

k. Support Direct Labor. All government labor charges after award of the construction contract for services other than Engineering During Construction (EDC) and Supervision and Administration (S&A).

2B200 Work Performed by Installation Engineer.

2B300 Contract Paid by Other Than USACE (Memo Placement). This cost account/work category includes the same type costs as recorded in cost account/work categories 2B100 and 2B200, however, the Corps of

<sup>1</sup>/SUMMARY COST ACCOUNT/WORK CATEGORY – COSTS MAY NOT BE CHARGED DIRECTLY TO THESE ACCOUNTS.

ACCOUNT  
NUMBER

TITLE

Engineers does not finance the construction contract with their carrier funds. The requesting agency, through use of a .direct fund cite. gives the Corps of Engineers authority to award a construction contract citing the requesting agency\*s funds on the contracting documents. To credit the Corps activity with the construction contract placement (workload), memo placement is used to record the contractor earnings.

2B400      AT Cost S&A. This cost account/work category includes all government costs related to the procurement and administration of a construction contract. The costs recorded in 2B400 replicate the kinds of expenses charged to the revolving fund S&A accounts. Detailed descriptions of services appropriately expensed as S&A costs are found in ER 415-1-16, Chapter 2. This account also includes the initial investigation and documentation of AE liability and damages by Construction Division.

2C000      ENGINEERING DURING CONSTRUCTION. This cost account/work category includes but not limited to normal engineering support activities performed by the engineering division or an architect engineer firm as follows: Designer site visits, review of shop drawings and submittal, testing to verify design assumptions, designers participation in commissioning of HVAC system, designers participation in critical structural steel connections, preparation of design changes, revised drawing, and cost estimates. This cost account/work category includes all direct labor costs related to the investigation and pursuits of AE liability for potential damages incurred by the government. This will include administrative duties performed by the AE Responsibility Coordinator from inception of the case to resolution as well as review of documents and development of case file by technical staff. AE performance of S&A services should be charged to S&A.

<sup>1</sup>/SUMMARY COST ACCOUNT/WORK CATEGORY - COSTS MAY NOT BE CHARGED DIRECTLY TO THESE ACCOUNTS.

ER 37-345-10  
Change 52  
30 Sep 96

<u>ACCOUNT NUMBER</u>	<u>TITLE</u>
2D000	<u>VALUE ENGINEERING CHANGE PROPOSALS.</u>
3---- <sup>1/</sup>	<u>REAL ESTATE.</u>
3A000	<u>PROJECT PLANNING.</u>
3B000	<u>ACQUISITIONS.</u>
3C000	<u>CONDEMNATIONS.</u>
3D000	<u>INLEASING.</u>
3E--- <sup>1/</sup>	<u>APPRAISALS.</u> This cost account/work category includes all costs related to the appraisal program including staff and contract effort.
3E100	<u>Staff Appraisals.</u> This cost account/work category includes all costs related to all efforts of staff appraisers involving the preparation and/or review of appraisal reports prepared by staff, or review of reports submitted by customers, clients, and non-Federal sponsors (for cost-shared projects). This includes inspecting subject and comparable properties, data collection and analysis, and report preparation and review. This includes all types of appraisal efforts including informal value conclusions, brief appraisals, reconnaissance scope cost estimates, project or gross appraisals, feasibility studies, and other consulting assignments.
3E200	<u>Contract Appraisals.</u> This cost account/work category includes all costs related to the contracting of appraisal reports and other expert services, except costs associated with the administration and procurement of the contract and report reviews conducted by staff reviewers.
3E300	<u>Review Contract Appraisals.</u> This cost account/work category includes all costs related to the review and

<sup>1/</sup>SUMMARY COST ACCOUNT/WORK CATEGORY – COSTS MAY NOT BE CHARGED DIRECTLY TO THESE ACCOUNTS.

ACCOUNT  
NUMBER

TITLE

approval process of appraisal or related reports prepared by contract sources. This includes costs associated with negotiation of contracts and contract administration, and provision of technical assistance and advice to contract appraisers in order for the contractor to complete the assignment.

3F000 RELOCATION ASSISTANCE.

3G--- <sup>1/</sup> TEMPORARY PERMITS.

3G100 Maneuver Permits.

3G200 All Other Permits.

3G300 Damage Claims.

3H000 AUDITS.

3J000 ENCROACHMENTS AND TRESPASS. This cost account/work category includes all costs related to real estate effort, including contractual services, directly involved or leading to correcting, curing, or resolving encroachments by others on Corps lands or by Corps on non-Corps lands. The foregoing includes, but is not limited to, field investigations and surveys directly associated with individual encroachment cases, meetings, correspondence, negotiating agreements and settlements, preparation of boundary line agreements, preparation of reports of litigation, providing information to and assisting the Department of Justice and/or the U.S. Attorneys. (Note: All costs for resolving encroachments will be reported, while the unit of measurement reported on ENG Form 4564-R will be encroachment cases cured, corrected, or resolved. )

3K000 DISPOSALS. This cost account/work category includes all costs defined below, including disposal planning and studies on the retention of real property. Costs

<sup>1/</sup>SUMMARY COST ACCOUNT/WORK CATEGORY - COSTS MAY NOT BE CHARGED DIRECTLY TO THESE ACCOUNTS.

ER 37-345-10  
Change 52  
30 Sep 96

ACCOUNT  
NUMBER

TITLE

incurred in the sale of Government-owned real property with or without buildings, improvements in place, timber and crops and appurtenances, and in arranging for transfer of real property interests to another agency of the U.S. Government such as screening, preparation and development of plans, advertising, preparation and distribution of bids, negotiations, appraisals, mapping, preparation, and execution and distribution of disposal instruments and documents. Costs incurred in the sale or other disposal of crops, and gravel, etc., (excluding lumber and timber), such as preparation and development of plans, advertising, preparation and distribution of bids, negotiations, appraisals, mapping, preparation and execution and distribution of disposal instruments and documents. Disposal costs of buildings and improvements for removal such as preparation and development of plans, advertising, preparation and distribution of bids, negotiations, appraisals, preparation and execution and distribution of disposal instruments and documents. Costs in connection with cancellations or terminations of leases, lease suspension agreements, licenses, and permits acquired by the U.S. Government. This account will also include the direct costs incurred for design, preparation of restoration cost estimate, supervision, inspection, etc., in connection with restoration occasioned by termination of leased property. Costs of preparing reports of excess real property to the General Services Administration.

3L000        REAL PROPERTY ACCOUNTABILITY

3R--- <sup>1/</sup>     REAL ESTATE PAYMENTS.

3R100        Land Payments.

3R200        Relocation Assistance Payments.

<sup>1/</sup>SUMMARY COST ACCOUNT/WORK CATEGORY - COSTS MAY NOT BE CHARGED DIRECTLY TO THESE ACCOUNTS.

<u>ACCOUNT NUMBER</u>	<u>TITLE</u>
3R300	<u>Damage Payments.</u>
3R400	<u>Rents.</u>
3S000	<u>REAL ESTATE RECEIPTS.</u>
3T--- <sup>1/</sup>	<u>INSPECTIONS.</u>
3T100	<u>Utilization Inspections.</u> This cost account/work category includes all costs related to performing the following:  (1) Major inspections includes the cost of all effort incident to performing inspections of real property under the control of or subject to service agreement with the Corps where changes in utilization are known to occur frequently and substantially so as to require annual determination of proper utilization. Includes E.O. 12411 and E.O. 12512 surveys, and BLM withdrawal reviews as applicable, and preparation of reports related to property utilization.  (2) Minor inspections includes all costs related to effort incident to performing inspections of recruiting offices, steam gage stations, radio operator sites, all other real property under the control of the Corps as well as property subject to utilization inspections under Memorandums of Agreement with other Federal agencies where utilization inspections are required on a less than annual frequency.
3T200	<u>Compliance Inspections.</u> This cost account/work category includes all costs related to performing the following:  (1) Major inspections includes the cost of all effort incident to performing inspections of property granted to others for purposes such as commercial

<sup>1/</sup>SUMMARY COST ACCOUNT/WORK CATEGORY - COSTS MAY NOT BE CHARGED DIRECTLY TO THESE ACCOUNTS.

ER 37-345-10  
Change 52  
30 Sep 96

ACCOUNT  
NUMBER

TITLE

concessions, industrial uses, public park and recreation, quasi-public and ground camp use, fish and wildlife habitat management, selected agricultural and grazing uses and reconveyance clauses/restrictions in deeds requiring at least annual inspections to assure compliance with terms and conditions of the grant. Includes preparation of reports, determination of compliance after vacation of property subsequent to expiration or revocation of grant, and corrective measures where noncompliance is noted.

(2) Minor inspections includes the cost of all effort incident to performing inspections of property granted or reserved to others for purposes such as road, street, waterline, powerline, and communication line rights-of-way and other uses covered by easements, licenses and permits that do not require an annual inspection to assure compliance with terms and conditions of grants. Includes report preparation, determination of compliance after vacation of property subsequent to expiration or revocation of grant, and corrective measures where non-compliance is noted.

3U--- <sup>1/</sup>

Outgrants. This cost account/work category includes all costs related to performing the following:

(1) Major outgrants includes all costs associated with efforts, including contractual services, directly or incident to granting the use of real or personal property to others or denial thereof, such as commercial concessions, industrial uses, public parks and recreation, quasi-public and group camp use, fish and wildlife management, complex agricultural and grazing uses, military maneuver operations, roads and utilities associated with relocation contracts and situations where availability determinations must be made and mineral lease review. Includes the cost of environmental,

<sup>1/</sup>SUMMARY COST ACCOUNT/WORK CATEGORY - COSTS MAY NOT BE CHARGED DIRECTLY TO THESE ACCOUNTS.

ACCOUNT  
NUMBER

TITLE

historical and archaeological reviews, surveys, and recommendations; preparation of management plans, review of master plans, supplements and appendices; screening with other Government agencies where appropriate, advertising, preparation and distribution of bids/proposals, mapping, negotiations, preparation and execution of outgrants, renewal, extension, and cancellation/termination documents, review of development plans and third party subgrants, responses to requests for use of real or related property; review of recreation cost-share, water storage contracts and application for mineral leases.

(2) Minor outgrants includes all costs associated with all efforts related to outgranting the use of real or personal property to others, or the denial thereof, for purposes such as waterlines, powerlines, communication lines, hay and grazing purposes, roads, streets, and any other such uses where formal advertising is waived or considered not beneficial to the Government, as well as requests to drill for oil or gas on Government-owned property where no oil or gas lease is required. Includes environmental review unless categorically excluded, survey and recommendation, mapping, negotiations, preparation and execution of outgrants, renewal, extension and cancellation/termination documents and responses to request for use of real or related personal property.

3U100      Outgrants Other Than Oil and Gas Leases.

3U200      Oil and Gas Leases. This cost account/work category includes all costs related to efforts, including contractual services, directly or incident to granting the use of real property to others or denial thereof, for oil and gas leases. Includes the cost of environmental, historical and archeological reviews, determining the Government\*s interest, surveys, inspections, field investigation of drilling

<sup>1</sup>/SUMMARY COST ACCOUNT/WORK CATEGORY - COSTS MAY NOT BE CHARGED DIRECTLY TO THESE ACCOUNTS.

ER 37-345-10  
Change 52  
30 Sep 96

ACCOUNT  
NUMBER

TITLE

locations, and recommendations; preparation of management plans, review of master plans, supplements and appendices; coordination with BLM, preparation and distribution of mapping, preparation of stipulations, renewal, extension, and cancellation/termination documents, review of development plans and third party subgrants, responses to requests for use of real or related property; and application for mineral leases.

3V000 Timber Harvesting. This cost account/work category includes all administrative costs incurred in connection with the timber harvesting program, such as contract administration, inspection, and staff supervision of production and harvesting of timber.

3W000 Project Related Administration.

3Z000 Other (Conversion Use Only - Not for Use After Conversion).

4--- <sup>1/</sup> Homeowners Assistance Program. This cost account/work category includes all costs related to the government\*s liability for assumed mortgages, expenditures for the liquidation of mortgages due at the time of acquisition, equity, reimbursable benefits, private sale benefits, foreclosure benefits, USACE acquisition administrative expense, and management and disposal administrative expense.

4A000 Applications. This cost account/work category includes all costs related to processing qualified acquisition applications for completion, including appeals.

4B000 Rejections. This cost account/work category includes all costs related to verification and review of potential acquisition applications.

<sup>1/</sup>SUMMARY COST ACCOUNT/WORK CATEGORY - COSTS MAY NOT BE CHARGED DIRECTLY TO THESE ACCOUNTS.

<u>ACCOUNT NUMBER</u>	<u>TITLE</u>
4C--- <sup>1/</sup>	<u>Appraisals</u> . This cost account/work category includes all costs related to determining the fair market value of eligible HAP applicant*s homes prior to government acquisition and at the time of sale for computation of private sale, loss on real property and foreclosure benefits for approved HAP programs.
4C100	<u>Staff Appraisals</u> . This cost account/work category includes all costs related to acquired and resale of property appraisals performed by USACE employees. Included in this cost is USACE employees* salary and benefits, travel, G&A and departmental overhead.
4C200	<u>Contract Appraisals</u> . This cost account/work category includes all costs related to acquired and resale of property appraisals performed by private contractors and cost incurred to monitor contractor performance. Included in this cost is contract administration: USACE employees* salary and benefits, travel, G&A and departmental overhead.
4D000	<u>Private Sale/Real Property</u> . This cost account/work category includes all costs related to administrative expenses incurred in processing private sale or real property benefit.
4E000	<u>Purchase/Assumptions</u> . This cost account/work category includes all costs related to administrative expenses incurred in processing acquired property under equity, liquidation, and/or assumption benefits.
4F000	<u>Foreclosures</u> . This cost account/work category includes all costs related to administrative expenses incurred in processing foreclosure benefit.
4G000	<u>Appeals</u> . This cost account/work category includes all costs related to administrative expenses incurred in appeal claims.

<sup>1/</sup>SUMMARY COST ACCOUNT/WORK CATEGORY - COSTS MAY NOT BE CHARGED DIRECTLY TO THESE ACCOUNTS.

ER 37-345-10  
Change 52  
30 Sep 96

ACCOUNT  
NUMBER

TITLE

- 4H000      Disposals. This cost account/work category includes all costs related to administrative expenses incurred in processing the resale of property.
- 4J--- <sup>1/</sup>      Impact Study. This cost account/work category includes all costs related to computing the prior fair market value of a property before setting up of a program upon notification of an announcement for closure or realign of a military installation adversely effecting the local real estate housing market.
- 4J100      Staff Study. This cost account/work category includes all costs related to staff impact study performed by USACE employees. Included in this cost is USACE employees\* salary and benefits, travel, G&A and departmental overhead.
- 4J200      Contract Study. This cost account/work category includes all costs related to market impact study performed by private contractors and cost incurred to monitor contractor performance. Included in this cost is contract administration: USACE employees\* salary and benefits, travel, G&A and departmental overhead.
- 4K--- <sup>1/</sup>      Payments. This cost account/work category includes all costs related to payments to eligible homeowners or their agents for a particular benefit received such as equity losses, liquidation, assumption, private sale, real property, and/or foreclosure.
- 4K100      Equity Payments to Homeowners. This cost account/work category includes all costs related to payments to eligible homeowners or their agents for the remaining amount or value of the dwelling above the total secured debt to acquire the homeowners equity and title to the home for the U.S. Government.

<sup>1/</sup>SUMMARY COST ACCOUNT/WORK CATEGORY - COSTS MAY NOT BE CHARGED DIRECTLY TO THESE ACCOUNTS.

ACCOUNT  
NUMBER

TITLE

Costs consist of equity payments to homeowners where the mortgage is assumed or liquidated and homeowners without an existing mortgage.

- 4K200     Liquidation of First Mortgage/Liens. This cost account/work category includes all costs related to payments of only principal and prepayment penalties to the primary (1st) mortgage to obtain title to the home.
- 4K300     Liquidation of Secondary and Other Mortgage/Liens. This cost account/work category includes all costs related to payments of only principal and prepayment penalties to the junior (2nd) mortgage and other lien holders to satisfy any eligible debts to obtain the title to the home.
- 4K400     Mortgages Payable Assumed. This cost account/work category includes all costs related to amount of the homeowners ' outstanding mortgage that is assumed and to be paid by the U.S. Government.
- 4K500     Reimbursement for Loss on Private Sales. This cost account/work category includes all costs related to payments for losses sustained on the sale of the home.
- 4K600     Reimbursement for Loss on Real Property. This cost account/work category includes all costs related to payments for losses sustained on property severely damaged by Acts of God.
- 4K700     Homeowners Benefit Payments. This cost account/work category includes all costs related to payments to eligible homeowners or their agents for reimbursement of mortgage interest, taxes and insurance up to date of government acquisition or refund of prepayments.
- 4K800     Payments in Foreclosure Cases. This cost account/work category includes all costs related to

<sup>1</sup>/SUMMARY COST ACCOUNT/WORK CATEGORY – COSTS MAY NOT BE CHARGED DIRECTLY TO THESE ACCOUNTS.

ER 37-345-10  
Change 52  
30 Sep 96

ACCOUNT  
NUMBER

TITLE

payments to reimburse foreclosure cost paid by the homeowner or paid to third parties on the homeowners behalf.

- 4L--- <sup>1/</sup> Program Administration/Management. This cost account/work category includes all costs related to administration and management associated to the support of property acquisitions and resale for HAP. Cost includes USACE employees\* salary and benefits, travel, G&A and departmental overhead.
- 4L100 USACE Acquisition/Management and Disposal Administrative Expenses. This cost account/work category includes all costs related to Supervisory and Administrative (S&A) cost incurred to the management and support of property for acquisitions and resale. Cost includes USACE employees\* salary and benefits, travel, GSA and departmental overhead.
- 4L200 Other Acquisition Program Expenses. This cost account/work category includes all costs related to other acquisition expenses such as title and closing fees, assumption/transfer fees, transfer taxes, and miscellaneous expenses not previously identified above.
- 4L300 Other Management and Disposal Program Expenses. This cost account/work category includes all costs related to other acquisition expenses such as interest expense, payments in lieu of taxes, sales expense, maintenance and operating expense, and insurance expense.
- 4Z000 Other (Conversion Use Only - Not Authorized for Use After Conversion). This work code account applies to CEFMS implementation conversion.
- 5---- <sup>1/</sup> HOST NATION.

<sup>1/</sup>SUMMARY COST ACCOUNT/WORK CATEGORY - COSTS MAY NOT BE CHARGED DIRECTLY TO THESE ACCOUNTS.

<u>ACCOUNT NUMBER</u>	<u>TITLE</u>
5A--- <sup>1/</sup>	<u>P&amp;D RELATED TO CONSTRUCTION.</u> This cost account/work category includes all costs specified under the line item appropriation "Planning and Design" in the Military Construction Authorization Act.
5A100	<u>Supervision and Review of AE Contracts.</u> This cost account/work category includes all government labor costs associated with procurement, and management of AE contracts, to include reviews of products produced by an AE.
5A200	<u>Value Engineering Activities.</u> This cost account/work category includes all costs associated with actual performance of value engineering studies and related activities by in-house forces and AE contractors (labor, travel, contracts, etc.).
5A300	<u>AE Liability Activities.</u> This cost account/work category includes all direct labor costs related to the investigation and pursuit of AE liability for potential damages incurred by the government prior to construction contract award or start. This will include administrative duties performed by the AE Responsibility Coordinator from inception of the case to resolution as well as review of documents and development of case files by the technical staff.
5A400	<u>All Other.</u>  (1) For designs by government forces or hired labor (COEMIS Field Types 224 through 339) this account includes all government costs associated with the direct in-house design of plans and specifications that are intended for follow-on construction.  (2) For AE contracts (COEMIS Field Type 298) this account includes all contract costs for AE testing; surveys; mapping; reviews; and preparation of

<sup>1/</sup>SUMMARY COST ACCOUNT/WORK CATEGORY - COSTS MAY NOT BE CHARGED DIRECTLY TO THESE ACCOUNTS.

ER 37-345-10  
Change 52  
30 Sep 96

ACCOUNT  
NUMBER

TITLE

sketches, cost estimates, plans, specifications and construction contract documents for the use of follow-on construction activities.

5B--- <sup>1/</sup> P&D NOT RELATED TO CONSTRUCTION. This cost account/work category includes all costs for government labor, AE and technical services (not covered under the Brooks Act) that are for other than the production of plans and specifications or packages for follow-on construction.

5B100 Supervision and Review of AE Contracts. This cost account/work category includes all government labor costs associated with procurement, and management of AE contracts, to include reviews of products produced by an AE.

5B200 Value Engineering Activities. This cost account/work category includes all costs associated with actual performance of value engineering studies and related activities by in-house forces and AE contractors (labor, travel, contracts, etc.). Costs associated with the S&R of value engineering activities should be charged to 1A130 and 1A140 as appropriate.

5B300 AE Liability Activities. This cost account/work category includes all direct labor costs related to the investigation and pursuit of AE liability for potential damages incurred by the government due to AE failure to deliver acceptable product. This will include administrative duties performed by the AE Responsibility Coordinator from inception of the case to resolution as well as review of documents and development of case files by the technical staff. AE liability actions and review of modifications by Counsel, Procurement and other General and Administrative staff will be charged to General and Administrative overhead.

5B400 All Other.

<sup>1/</sup>SUMMARY COST ACCOUNT/WORK CATEGORY – COSTS MAY NOT BE CHARGED DIRECTLY TO THESE ACCOUNTS.

ACCOUNT  
NUMBER

TITLE

(1) For designs by government forces or hired labor (COEMIS Field Types 224 through 339) this account includes all government labor costs associated with the direct in-house design of plans and specifications that are intended for follow-on construction.

(2) For AE contracts (COEMIS Field Type 298) this account includes all contract costs for AE testing; surveys; mapping; reviews; and preparation of sketches, cost estimates, plans, specifications and construction contract documents for the use of follow-on construction activities.

5C000 LOST/DELETED DESIGN. This cost account/work category includes all costs for changes for re-design of work which has already been accomplished but which must be scrapped and redone prior to award of a construction contract.

5D000 DESIGN BREAKAGE. This cost account/work category includes all planning and design (P&D) expenditures, i.e., all "1A" accounts only, for the design portions of design, reviews and other P&D related services for military construction projects, where the design was started but cancelled or where the design was completed but the project was not constructed and occupied for its intended purpose, for whatever reason. The cost of a design or a portion of a design which has been completed and shelved temporarily because of deferral of the construction project or a part of the construction project to a subsequent year is not BREAKAGE but becomes BREAKAGE when and if the project will be considered cancelled rather than merely deferred or placed on hold. The cost of a design or part of a design completed and shelved also becomes breakage when there has been no design activity in the preceding three years and the project is not included in the administration\*s five year budget forecast. In addition, projects awarded

<sup>1</sup>/SUMMARY COST ACCOUNT/WORK CATEGORY – COSTS MAY NOT BE CHARGED DIRECTLY TO THESE ACCOUNTS.

ER 37-345-10  
Change 52  
30 Sep 96

ACCOUNT  
NUMBER

TITLE

to a construction contractor that are terminated for the convenience of the government for whatever reason prior to being completed and utilized for the intended purpose of the project will be considered to become BREAKAGE for all P&D costs incurred. Design breakage must be transferred from the active design cost account(s) work categories (1A series) to this cost account/work category when design breakage occurs.

5E--- <sup>1/</sup>

CONSTRUCTION EXEMPT FROM FLAT RATE S&A. This cost account/work category includes all contract and government labor cost categories for projects exempt from flat rate S&A. Requests for waiver to use at-cost procedures rather than flat rate procedures for appropriations not exempt from the flat rate must be approved in writing by CEMP-CM. (See ER 415-1-16, Table 3-3, for appropriations exempt from flat rates.)

5E100

Direct Construction Activities (Placement). This cost account/work category includes all costs related to performing the following:

- a. Primary Construction Contract. All amounts paid to the primary construction contractor.
- b. Utility Contracts. All amounts paid for support contracts and purchase orders for temporary hook-up to local utilities such as electric, water, gas, etc. during the construction or interim O&M phases.
- c. Electrical Installation. All amounts paid for support contracts and purchase orders for installation of telecommunication, alarm systems, computer hook-up, etc. during construction or during interim O&M.
- d. Local Fees, Permits and Taxes. All purchase orders to pay for local fees, permits and taxes.

<sup>1/</sup>SUMMARY COST ACCOUNT/WORK CATEGORY - COSTS MAY NOT BE CHARGED DIRECTLY TO THESE ACCOUNTS.

ACCOUNT  
NUMBER

TITLE

e. Training and Operation Manuals. All amounts paid for support contracts and purchase orders for training and operations manuals that are not a part of the primary construction contract.

f. Testing (Soil. Lab. Survey. etc.). All amounts paid for support contracts and purchase orders for testing services that are not a part of the primary construction contract.

g. Government Furnished Property (GFP). All amounts paid for support contracts and purchase orders for GFP, or materials provided by the government to the construction contractor for contract installation.

h. Interim O&M. All amounts paid for support contracts and purchase orders for operation of the facility after contract completion on an interim or test basis.

i. AE Support. All amounts paid for support contracts and purchase orders for an AE to perform management services and reviews of the construction and construction plans, provisions, specifications, test data, shop drawings and other construction related documents after award of the construction contract. However, these services can in no way supplement or replace S&A services whose contract and purchase order costs must be charged against the revolving fund account just as S&A labor costs are charged.

j. Life Support Housing and Support Facilities. All amounts paid for support contracts and purchase orders for OCONUS life support housing and support facilities.

k. Preparation of As-Built Drawings. All contract charges for changing the record set of drawings in

<sup>1</sup>/SUMMARY COST ACCOUNT/WORK CATEGORY - COSTS MAY NOT BE CHARGED DIRECTLY TO THESE ACCOUNTS.

ER 37-345-10  
Change 52  
30 Sep 96

ACCOUNT  
NUMBER

TITLE

accordance with the primary contractors red line mark-up.

1. Support Direct Labor. All government labor charges after award of the construction contract for services other than Engineering During Construction (EDC) and Supervision and Administration (S&A).

5E200 Contract Paid by Other Than USACE (Memo Placement). This cost account/work category includes the same type costs as recorded in cost account/work categories 2B100 and 2B200, however, the Corps of Engineers does not finance the construction contract with their carrier funds. The requesting agency, through use of a 'direct fund cite\*' gives the Corps of Engineers authority to award a construction contract citing the requesting agency\*s funds on the contracting documents. To credit the Corps activity with the construction contract placement (workload), memo placement is used to record the contractor earnings.

5E300 At Cost S&A. This cost account/work category includes all government costs related to the procurement and administration of a construction contract. The costs recorded in 5E300 replicate the kinds of expenses charged to the revolving fund S&A accounts. Detailed descriptions of services appropriately expensed as S&A costs are found in ER 415-1-16, Chapter 2. This account also includes the initial investigation and documentation of AE liability and damages by Construction Division.

5F000 ENGINEERING DURING CONSTRUCTION. This cost account/work category includes costs for normal engineering support after award of the construction contract.

<sup>1</sup>/SUMMARY COST ACCOUNT/WORK CATEGORY – COSTS MAY NOT BE CHARGED DIRECTLY TO THESE ACCOUNTS.

<u>ACCOUNT NUMBER</u>	<u>TITLE</u>
5G000	<u>Value Engineering Change Proposals (VECP)</u> . This cost account/work category includes all government labor and travel costs associated with a VECP.
6---- <sup>1/</sup>	<u>RESEARCH. DEVELOPMENT. TEST AND EVALUATION (RDT&amp;E).</u>
61--- <sup>1/</sup>	<u>CIVIL ENGINEERING.</u>
611-- <sup>1/</sup>	<u>CAPITAL ASSETS.</u>
61110	<u>Buildings.</u>
61120	<u>Other Structures and Facilities.</u>
61130	<u>Software</u>
61140	<u>Equipment</u>
61150	<u>Capital Leases.</u>
61160	<u>Leasehold Improvements.</u>
61190	<u>Other Capital Assets.</u>
61900	<u>All Other Civil Engineering Activities.</u>
62--- <sup>1/</sup>	<u>ENVIRONMENTAL QUALITY.</u>
621-- <sup>1/</sup>	<u>CAPITAL ASSETS.</u>
62110	<u>Buildings.</u>
62120	<u>Other Structures and Facilities.</u>
62130	<u>Software.</u>
62140	<u>Equipment.</u>
62150	<u>Capital Leases.</u>

<sup>1/</sup>SUMMARY COST ACCOUNT/WORK CATEGORY - COSTS MAY NOT BE CHARGED DIRECTLY TO THESE ACCOUNTS.

ER 37-345-10  
Change 52  
30 Sep 96

<u>ACCOUNT NUMBER</u>	<u>TITLE</u>
62160	<u>Leasehold Improvements.</u>
62190	<u>Other Capital Assets.</u>
62900	<u>All Other Environmental Quality.</u>
69--- <sup>1/</sup>	<u>OTHER RESEARCH AND DEVELOPMENT.</u>
691-- <sup>1/</sup>	<u>CAPITAL ASSETS.</u>
69110	<u>Buildings.</u>
69120	<u>Other Structures and Facilities.</u>
69130	<u>Software.</u>
69140	<u>Equipment.</u>
69150	<u>Capital Leases.</u>
69160	<u>Leasehold Improvements.</u>
69190	<u>Other Capital Assets.</u>
69900	<u>All Other Activities.</u>
72--- <sup>1/</sup>	<u>HTRW/OEW Program Preconstruction and Project Management.</u>
721-- <sup>1/</sup>	<u>Project Management.</u> This summary cost account/work category includes all costs related to the Project Management team whose purpose is to more efficiently and effectively manage the progress of the project. Included in these costs would be project planning, scheduling, funding, and upward reporting.
72110	<u>Project Management Plan.</u> This cost account/work category includes all costs related to the Project Management Plan developed by the PM in conjunction with the TM and other district functional elements

<sup>1/</sup>SUMMARY COST ACCOUNT/WORK CATEGORY - COSTS MAY NOT BE CHARGED  
DIRECTLY TO THESE ACCOUNTS.

ACCOUNT  
NUMBER

TITLE

and the customer. The PMP is designed to cover all project activities from site discovery through completion of construction/fiscal closeout.

- 72120      Data Maintenance and Reporting. This cost account/work category includes all costs related to budgeting data, resource data, and performance reporting that is associated with the project.
- 72130      Management Directives. This cost account/work category includes all costs related to communications from the PM team to the personnel responsible for the various WES products on the methods to be used in managing the tasks. Specific methods/responsibilities such as authorization of work, approving changes, and collecting progress data would be specified.
- 72140      Customer and Interagency Agreements. This cost account/work category includes all costs related to formal correspondence that identifies the products or services to be provided to a customer and the funding levels associated with those efforts.
- 72150      Project Authorization Documents. This cost account/work category includes all costs related to authorization documents from HQUSACE, MSC, or other sources to include Work Authorization Documents (WADS), Funding Authorization Documents (FADS) etc.
- 72160      Programming Documents. This cost account/work category includes all costs related to Programming Documents to include Work Plans, Obligational Plans, etc detailing program execution.
- 72170      Project Related Awards. This cost account/work category includes all costs related to any awards that may result from design and implementation of a

<sup>1</sup>/SUMMARY COST ACCOUNT/WORK CATEGORY – COSTS MAY NOT BE CHARGED DIRECTLY TO THESE ACCOUNTS.

ER 37-345-10  
Change 52  
30 Sep 96

ACCOUNT  
NUMBER

TITLE

project. These awards could be monetary in nature or not and might be for an individual or for a multi-organizational team.

- 72180 All Other. This cost account/work category includes all costs related to Project Management not classified above.
- 722-- <sup>1/</sup> INVESTIGATIONS (PROJECT DEVELOPMENT AND PLANNING). This summary cost account/work category includes all costs related to investigations performed during the planning and design phases of a project for compliance with NEPA, CERCLA, RCRA, Clean Air Act, Clean Water Act, etc.
- 7221X In-house agreements. This cost account/work category includes all costs related to in-house forces to perform work related to various types of investigations.
- 7222X AE Professional Service Procurement. This cost account/work category includes all costs related to the selection of an AE for the performance and delivery of investigation products.
- 7223X AE Professional Service Contracts. This cost account/work category includes all costs related to agreements/contracts with AEs and Professional Service companies for the performance of investigations.
- 7224X AE Supervision & Review. This cost account/work category includes all costs related to the supervision and review of AE contract deliverables on an investigation.
- 7225X Customer Technical Assistance. This cost account/work category includes all costs related to

<sup>1/</sup>SUMMARY COST ACCOUNT/WORK CATEGORY – COSTS MAY NOT BE CHARGED DIRECTLY TO THESE ACCOUNTS.

ACCOUNT  
NUMBER

TITLE

the review of investigation products that were developed by, and belong to, other agencies or customers.

7226X

All Other (To Include PRP Payments). This cost account/work category includes all costs related to other investigation work items that are not otherwise covered above.

CODE (X) TYPE OF INVESTIGATION

- A Preliminary Assessments (PA)
- B Site Inspections (SI)
- C Combined (PASI)
- D Remedial Investigations (RI)
- E Feasibility Studies (FS)
- F Combined (RIFS)
- G Environmental Evaluation/Cost Analysis (EECA)
- H Environmental Compliance Assessments (ECAR)
- I RCRA Facility Assessments (RFA)
- J RCRA Facility Investigations (RFI)
- K RCRA Corrective Measures Studies (CMS)
- L RCRA Corrective Action Plans (CAP)
- M RCRA Closure Plans (CP)
- N Underground Storage Tank Studies (UST)
- P NCR Facility Decommissioning Plans (NCR FD)
- Q DOE Conceptual Designs (DOE CD)
- R Treatability Studies
- T Site Surveys (Predesign and Other)
- U Geotechnical Site Investigations
- V Chemistry Site Investigations
- W Value Engineering Screening/Investigations
- X Invest. Per Other Applicable or Relevant and Appropriate Requirements (ARAR)
- Y Potential Responsible Party (PRP)
- 1 NEPA Investigations

<sup>1</sup>/SUMMARY COST ACCOUNT/WORK CATEGORY - COSTS MAY NOT BE CHARGED DIRECTLY TO THESE ACCOUNTS.

ER 37-345-10  
Change 52  
30 Sep 96

ACCOUNT  
NUMBER

TITLE

CODE (X)    TYPE OF INVESTIGATION

- 2      Endangered Species Act (ESA) Consultations
- 3      ESA Biological Assessments
- 4      Clean Water Act (CWA) 404 (b) Evaluations
- 5      CWA Wetlands Evaluations
- 6      Historical/Archeo/Cultural Surveys
- 7      Others

- 723-- <sup>1/</sup>    REMEDIAL DESIGN. This summary cost account/work category includes all costs related to the design of the remedial action. This cost account/work category includes products related to AE procurement and specific design products such as plans, specifications drawings, cost estimates, etc.
  
- 7231X    In-house work agreements. This cost account/work category includes all costs related to in-house forces to perform work related to Remedial design, where USACE has the lead for the design.
  
- 7232X    AE Professional Service Procurement. This cost account/work category includes all costs related to products and actions necessary to select an AB for the delivery of design products.
  
- 7233X    AE Professional Service Contracts. This cost account/work category includes all costs related to design analysis, plans and specifications produced by an AE.
  
- 7234X    AE Supervision & Review. This cost account/work category includes all costs related to the review of AE designs by in-house forces.
  
- 7235X    Customer Technical Assistance. This cost account/work category includes all costs related to the review of design products that were developed by, and belong to, other agencies or customers.

<sup>1/</sup>SUMMARY COST ACCOUNT/WORK CATEGORY - COSTS MAY NOT BE CHARGED DIRECTLY TO THESE ACCOUNTS.

ACCOUNT  
NUMBER

TITLE

7236X      Value Engineering. This cost account/work category includes all costs related to value engineering studies and related activities by in-house forces and AE contracts involving the environmental restoration programs.

7237X      All Other. This cost account/work category includes all costs related to other design products not specifically covered above.

CODE (X)    TYPE OF DESIGN

A      Concept  
B      Preliminary  
C      Intermediate  
D      Prefinal  
E      Final  
F      All Other

73--- <sup>1/</sup>      CONSTRUCTION (REMEDIAL ACTION) - EXCEPT RAPID RESPONSE. This summary cost account/work category includes all costs related to actual products produced by a construction contractor together with construction management.

73100      Work Agreements (Subject to Flat Rate). This cost account/work category includes all costs related to the actual construction and implementation of remedial design that results in long-term site cleanup. This cost account/work category includes work agreements that are subject to the current flat rate.

73200      Engineering During Construction. This cost account/work category includes all costs related to normal engineering support after award of the construction contract.

73300      Supervision & Administration (S&A). This cost account/work category includes all costs related to

<sup>1/</sup>SUMMARY COST ACCOUNT/WORK CATEGORY - COSTS MAY NOT BE CHARGED DIRECTLY TO THESE ACCOUNTS.

ER 37-345-10  
Change 52  
30 Sep 96

ACCOUNT  
NUMBER

TITLE

the supervision and administration of Remedial Action work subject to the current flat rate.

73500      Work Agreements (Exempt From Flat Rate). This cost account/work category includes all costs related to the actual construction and implementation of remedial design that results in long-term site cleanup. This cost account/work category includes work agreements that are exempt from the current flat rate.

73600      Supervision & Administration (Exempt From Flat Rate). This cost account/work category includes all costs related to the supervision and administration of Remedial Action work exempt from the current flat rate.

7R--- <sup>1/</sup>      CONSTRUCTION (REMEDIAL ACTION) - RAPID RESPONSE. This summary cost account/work category includes all costs related to actual products produced by a construction contractor together with construction management.

7R100      Work Agreements (Subject to Flat Rate). This cost account/work category includes all costs related to the actual construction and implementation of remedial design that results in long-term site cleanup. This cost account/work category includes work agreements that are subject to the current flat rate.

7R200      Engineering During Construction. This cost account/work category includes all costs related to normal engineering support after award of the construction contract.

7R300      Supervision & Administration (S&A) - Flat Rate. This cost account/work category includes all costs related to the supervision and administration of Remedial Action work subject to the current flat rate.

<sup>1/</sup>SUMMARY COST ACCOUNT/WORK CATEGORY - COSTS MAY NOT BE CHARGED DIRECTLY TO THESE ACCOUNTS.

<u>ACCOUNT NUMBER</u>	<u>TITLE</u>
7R400	<u>Damages Assessed Contractors</u> . This cost account/work category includes all costs related to damages assessed by the contracting officer against contractors for extra expenses incurred by the Government for the supervision and administration and liquidated damages assessed contractors.
7R500	<u>Work Agreements (Exempt From Flat Rate)</u> . This cost account/work category includes all costs related to the actual construction and implementation of remedial design that results in long-term site cleanup. This cost account/work category includes work agreements that are exempt from the current flat rate.
7R600	<u>Supervision &amp; Administration (Exempt From Flat Rate)</u> . This cost account/work category includes all costs related to the supervision and administration of Remedial Action work exempt from the current flat rate.
74--- <sup>1/</sup>	<u>HTRW PROGRAM POST CONSTRUCTION &amp; FINANCIAL CLOSEOUT</u>
741-- <sup>1/</sup>	<u>Fiscal/Financial Closeout Activities</u> . This summary cost account/work category includes all costs related to work agreements, releases, and forms necessary to close out the design and construction phases of a project.
74110	<u>Work Agreements</u> . This cost account/work category includes all costs related to the mechanisms used for dispute and claims resolution by negotiation, administrative proceedings or litigation.
74120	<u>Closed Financial Accounts. DD Forms 1149</u> . This cost account/work category includes all costs related to Form 1149 that is necessary to close out the design and construction phases of a project.

<sup>1/</sup>SUMMARY COST ACCOUNT/WORK CATEGORY - COSTS MAY NOT BE CHARGED DIRECTLY TO THESE ACCOUNTS.

ER 37-345-10  
Change 52  
30 Sep 96

ACCOUNT  
NUMBER

TITLE

742-- <sup>1/</sup> Operation & Maintenance (O&M) Activities. This is a summary cost account/work category and includes all costs related to the operation and maintenance of remediation facilities, including the development of O&M planning documents, as well as the actual conduct of O&M during and after construction.

74210 O&M Planning Documents. This cost account/work category includes all costs related to planning documents containing the comprehensive plans for O&M at projects.

74220 O&M Execution Documents. This cost account/work category includes all costs related to O&M performed before the official close of project construction.

74230 Post Construction O&M. This cost account/work category includes all costs related to O&M conducted after the official close of project construction.

75--- <sup>1/</sup> MANAGEMENT AND SUPPORT FUNDS

75100 HOUSACE. This cost account/work category includes all costs related to the Management and Support of the HTRW/OEW programs at HQUSACE level. These costs include labor, travel, training, supplies, etc. necessary to manage the programs.

75200 MSC. This cost account/work category includes all costs related to the Management and Support of the HTRW/OEW programs at the Division level. These costs include labor, travel, training, supplies, etc. necessary to manage the programs that are executed at the District level. Project specific costs should not be charged to this account.

75300 MCX. This cost account/work category includes all costs related to the HTRW and OEW MCX in order to perform program development, review, analysis, technical advice and oversight of HTRW/OEW program

<sup>1/</sup>SUMMARY COST ACCOUNT/WORK CATEGORY - COSTS MAY NOT BE CHARGED DIRECTLY TO THESE ACCOUNTS.

<u>ACCOUNT NUMBER</u>	<u>TITLE</u>
	and project execution. Project-specific cost may be appropriately charged to this account but only from a review and analysis perspective.
75400	<u>Other</u> . This cost account/work category includes all costs related to Management and Support not specified above.
8---- <sup>1/</sup>	<u>MISCELLANEOUS ACTIVITIES.</u>
8A000	<u>INDUSTRIAL HYGIENE/OCCUPATIONAL HEALTH ACTIVITIES.</u>
8D000	<u>UNFUNDED MILITARY PERSONNEL SERVICES.</u>
8C000	<u>REIMBURSABLE LABOR TRANSFERS.</u>
8E000	<u>EMERGENCY OPERATIONS/EXERCISES.</u>
8F--- <sup>1/</sup>	<u>FMS ADMINISTRATION</u>
8F1-- <sup>1/</sup>	<u>HOUSACE.</u>
8F1A0	<u>Program Management.</u>
8F1B0	<u>Resource Management.</u>
8F1Z0	<u>All Other.</u>
8F2-- <sup>1/</sup>	<u>MSC.</u>
8F2A0	<u>Program Management.</u>
8F2B0	<u>Resource Management.</u>
8F2Z0	<u>All Other.</u>
8F900	<u>All Other.</u>
8B000	<u>ALL OTHER.</u>

<sup>1/</sup>SUMMARY COST ACCOUNT/WORK CATEGORY – COSTS MAY NOT BE CHARGED DIRECTLY TO THESE ACCOUNTS.

ER 37-345-10  
Change 52  
30 Sep 96

<u>ACCOUNT NUMBER</u>	<u>TITLE</u>
9---- <sup>1/</sup>	<u>EXECUTIVE DIRECTION AND MANAGEMENT.</u>
91--- <sup>1/</sup>	<u>EXECUTIVE DIRECTION AND MANAGEMENT - HOUSACE.</u>
91A-- <sup>1/</sup>	<u>Information Management Activities.</u>
91A1- <sup>1/</sup>	<u>Administration.</u>
91A11	<u>Planning.</u>
91A12	<u>Budgeting.</u>
91A13	<u>General Management.</u>
91A19	<u>All Other.</u>
91A2- <sup>1/</sup>	<u>Library.</u>
91A21	<u>Public Library Services.</u>
91A22	<u>Learning Resource Center.</u>
91A29	<u>All Other.</u>
91A3- <sup>1/</sup>	<u>Records Management.</u>
91A31	<u>Mail.</u>
91A32	<u>File Management.</u>
91A39	<u>All Other.</u>
91A4- <sup>1/</sup>	<u>Reproduction Management.</u>
91A41	<u>Forms Management.</u>
91A42	<u>Publications Management.</u>
91A43	<u>Copier Program.</u>

<sup>1/</sup>SUMMARY COST ACCOUNT/WORK CATEGORY - COSTS MAY NOT BE CHARGED DIRECTLY TO THESE ACCOUNTS.

<u>ACCOUNT NUMBER</u>	<u>TITLE</u>
91A44	<u>Printing/Duplicating Support.</u>
91A49	<u>All Other.</u>
91A5- <sup>1/</sup>	<u>Automation Support.</u>
91A51	<u>Hardware Support (Help) Operations.</u>
91A52	<u>Software Support (Help) Operations.</u>
91A53	<u>General Software Development.</u>
91A54	<u>End User Acquisition Support.</u>
91A55	<u>CEAP IA Support.</u>
91A59	<u>All Other.</u>
91A6- <sup>1/</sup>	<u>Telecommunications.</u>
91A61	<u>Telecommunication Support.</u>
91A62	<u>LAN Support.</u>
91A63	<u>Communication Center.</u>
91A69	<u>All Other.</u>
91A70	<u>Visual Information.</u>
91B-- <sup>1/</sup>	<u>Military Program Activities.</u>
91B10	<u>Environmental Restoration Activities.</u>
91B20	<u>BRAC Activities.</u>
91B30	<u>FMS Activities.</u>
91B90	<u>All Other Activities.</u>

<sup>1/</sup>SUMMARY COST ACCOUNT/WORK CATEGORY - COSTS MAY NOT BE CHARGED DIRECTLY TO THESE ACCOUNTS.

ER 37-345-10  
Change 52  
30 Sep 96

<u>ACCOUNT NUMBER</u>	<u>TITLE</u>
91C-- <sup>1/</sup>	<u>HECSA Managed Headquarters Activities.</u>
91C10	<u>DARSE.</u>
91C20	<u>VSIP/VERA.</u>
91C90	<u>All Other.</u>
91D00	<u>OCE - Pentagon.</u>
91Z00	<u>All Other.</u>
92--- <sup>1/</sup>	<u>EXECUTIVE DEVELOPMENT AND MANAGEMENT - MSC OFFICES.</u>
92A-- <sup>1/</sup>	<u>Information Management Activities.</u>
92A1- <sup>1/</sup>	<u>Information Management Office.</u>
92A11	<u>Planning.</u>
92A12	<u>Budgeting.</u>
92A13	<u>General Management.</u>
92A19	<u>All Other.</u>
92A2- <sup>1/</sup>	<u>Library.</u>
92A21	<u>Public Library Services.</u>
92A22	<u>Learning Resource Center.</u>
92A29	<u>All Other.</u>
92A3- <sup>1/</sup>	<u>Records Management.</u>
92A31	<u>Mail.</u>
92A32	<u>File Management.</u>

<sup>1/</sup>SUMMARY COST ACCOUNT/WORK CATEGORY -COSTS MAY NOT BE CHARGED  
DIRECTLY TO THESE ACCOUNTS.

<u>ACCOUNT NUMBER</u>	<u>TITLE</u>
92A39	<u>All Other.</u>
92A5- <sup>1/</sup>	<u>Automation Support.</u>
92A51	<u>Hardware Support (Help) Operations.</u>
92A52	<u>Software Support (Help) Operations.</u>
92A53	<u>General Software Development.</u>
92A54	<u>End User Acquisition Support.</u>
92A55	<u>CEAP IA Support.</u>
92A59	<u>All Other.</u>
92A6- <sup>1/</sup>	<u>Telecommunications.</u>
92A61	<u>Telecommunication Support.</u>
92A62	<u>LAN Support.</u>
92A63	<u>Communication Center.</u>
92A69	<u>All Other.</u>
92A70	<u>Visual Information.</u>
92Z00	<u>All Other.</u>
93000	<u>EXECUTIVE DEVELOPMENT AND MANAGEMENT - MISCELLANEOUS ACTIVITIES.</u>
96000	<u>HUMPHREYS ENGINEER CENTER SUPPORT ACTIVITY.</u>
99000	<u>ALL OTHER.</u>

<sup>1/</sup>SUMMARY COST ACCOUNT/WORK CATEGORY - COSTS MAY NOT BE CHARGED  
DIRECTLY TO THESE ACCOUNTS.

APPENDIX I

DESCRIPTION OF ELEMENTS OF CONSTRUCTION COSTS

6-I-1. Direct Construction:

a. Construction Contractors\* Earnings. This includes TOTAL cost of contracts for construction accomplished under two-step formal advertisement or one-step (turnkey) negotiations.

b. Direct labor costs.

c. Detailed construction layout.

d. As-built drawings.

e. Operating manuals and instructions.

f. Training of using service personnel.

g. Surveys and monumentation for record purposes.

h. Negotiation of utility contracts.

i. Materials and equipment purchased with construction funds and furnished to contractors without reimbursement.

j. Materials, labor, and equipment (including construction equipment and civilian-type end items of installed equipment) furnished without reimbursement from construction funds , as contemplated by authorizing legislation.

k. Airfield pavement evaluation - testing, collection and evaluation of data, and preparation of report.

l. Value engineering.

6-I-2. Other Costs - Planning and Design:

ER 37-345-10  
Change 52  
30 Sep 96

- a. Determination of criteria and siting.
- b. Preparation of budget (preliminary) sketches, preliminary estimates, and preliminary designs, including site investigations. Includes contacts with using services, higher headquarters and local authorities.
- c. Preparation of design analyses.
- d. Constructibility review.
- e. Subsurface explorations, and sampling and testing of foundation and construction materials during investigation and design phases.
- f. Detailed designs.
- g. Preparation of plans, specifications and contract documents prior to bidding.
- h. Negotiations of contracts for engineering services.
- i. Reproduction of bidding documents.
- j. Performing hydrographic and topographic surveying and mapping as required for planning and design.
- k. Participation of design staff in pre-award activity (to acquaint prospective bidders with nature of work and construction personnel with design).
- l. Preparation of Government estimates of cost to compare with bids on new construction.
- m. Mapping and description of topographic features involved where real estate interests are required in connection with removal of obstructions or prohibition of the erection of structures or timber growth.

n. Supervision of contractors performing any of the above functions.

o. post-completion inspection.

p. Damages assessed contractors when finally determined by the contracting officer.

q. Research and investigational program.

r. Engineering and design during construction (EDC). These design costs are charged to construction funds and include:

(1) Review of engineering and design effort by the construction contractor where contract specifications are expressed in terms of performance standards with certain design details left to the contractor.

(2) participation of design staff in modifications of contract agreements to the extent of providing revised design, plans, specifications, and related cost estimates.

(3) Designer participation in HVAC systems commissioning.

(4) Designer participation in critical structural steel connections.

(5) Tests required to verify design assumptions.

(6) Direct labor costs related to the pursuit of A-E liability.

(7) Responding to contractor\*s requests for information regarding design errors and omissions.

(8) Designer visits to construction site when related to any of the above.

s. Value engineering.

ER 37-345-10  
Change 52  
30 Sep 96

t. All work required by direct charging personnel after the potential for A-E liability has been determined by Construction Division and the action referred to the Architect-Engineer Responsibility Coordinator (AERC).

6-I-3. Other Costs - Supervision and Inspection:

a. Studies and analyses of plans and specifications and conferences of construction staffs to establish construction sequence, etc., with design personnel to become familiar with design requirements.

b. Participation of construction staffs in pre-award activity to acquaint prospective bidders with nature of work.

c. Award and administration of construction contracts.

d. Award and administration of contracts which provide for supervision and inspection of construction.

e. Establishment of bench marks and base lines required for layout of construction.

f. Review of drawings, manuals, catalogue cuts, and other information submitted by the construction contractor.

g. Assure that construction is performed in compliance with plans and specifications by supervision and inspection of construction work, conferences with the contractors to coordinate various features of the project and enforce compliance with schedules.

h. Sampling and testing during construction phase of subsurface and construction materials to determine their suitability and compliance with plans and specifications.

i. Negotiation with construction contractors on all contract modifications, including preparation of all contract documents required therefor and preparation of Government

estimates on those contract modifications that do not require preparation of revised designs, plans and specifications.

j. Estimate quantities, determine periodic payments to contractors, and review and approval of construction contract payments, including any measurements required therefor by Government forces.

k. Construction staff\*s review and approval of construction schedules and progress charts, as prepared by contractors.

l. Preparation of construction progress and completion reports.

m. Project management and administration not otherwise identified above.

n. Damages assessed contractors when finally determined by the contracting officer.

o. The initial investigation and documentation of A-E liability and damages by Construction Division.

6-I-4. Other Costs - District Overhead.

a. Executive, Advisory and Administrative.

- (1) Executive
- (2) Resource Management/Comptroller
- (3) Technical Liaison
- (4) Counsel
- (5) personnel
- (6) Administrative Service
- (7) Safety
- (8) Provost Marshall

b. Supply (excluding direct charges).

c. Miscellaneous expenses.

ER 37-345-10  
Change 52  
30 Sep 96

- (1) Transportation of Things
- (2) Communication Services
- (3) Rents and Utility Services
- (4) Printing and Reproduction
- (5) Other Contractual Services
- (6) Supplies and Materials
- (7) PCS Expenses
- (8) Suggestions and Incentive Awards
- (9) Pro-rata and Other Charges

(District overhead is distributed to engineering and design and construction.)

d. Architect-Engineer liability actions and review of modifications by Counsel, Procurement, and other Advisory and Administration (A&A) staff will be charged to overhead.

## CHAPTER 7

## Cost Accounting Procedures

7-1 Purpose. This chapter prescribes uniform cost accounting procedures for all military activities. Objectives are:

a. To provide for uniform cost accounting whether performed by the Government or by CPFF contractors.

b. To provide controls over construction costs in line with any demand for speedy construction and to avoid overrun of directive limitations.

c. To provide a means, through cost records, of:

(1) Determining under existing conditions whether work is being performed economically.

(2) Forecasting the ultimate cost of a project during progress of the work.

(3) Comparing actual costs during construction with estimated costs.

(4) Furnishing sufficient and reliable data on completed work for historical record purposes and for use in the preparation of estimates of cost for similar work.

(5) Furnishing data for the preparation of reports.

d. To describe the requirements for maintaining the cost accounts listed in Chapter 6, and thereby facilitate reconciliation thereof with related general ledger accounts.

7-2 Definitions and Abbreviations. As used herein, the following definitions and abbreviations of terms will apply:

a. Abbreviations -

AE - Architect Engineer  
CPFF - Cost-Plus-A-Fixed-Fee

b. Area Office. See ER 10-1-3.

1 Mar 69

c. CPFF Prime Contractor. Primary CPFF construction contractor or AB directly responsible to the Government for performance of work.

d. CPFF Subcontractor. A subcontractor performing work on a CPFF basis for a CPFF prime contractor.

e. Construction Features. Principal components of the construction work as a whole, the costs of which are to be separately accumulated line items.

f. Construction Line Items. Authorized construction as reflected by line items in a construction directive.

g. Construction Location. An officially designated post or station, such as a cantonment, an ordnance plant, a storage depot, a port of embarkation, a staging area, etc.

h. Construction Plant Facilities. Temporary construction facilities or items acquired, installed, or constructed (a. outlined in accounts 500 to 589, Chapter 6) for use in connection with construction operations, but not forming a part of the completed construction features. This group does not include items of\*mobile construction equipment as defined below.

i. Construction Project. A line item or group of related line items in a design or construction program which are authorized by the same public law and, except for certain "packaged" or classified projects not identifiable by geographical location, are to be accomplished at the same installation or in the same general area.

j. Cross Earnings of Lump-Sum and Unit-Price Contractors and Subcontractors. Gross cost to the Government for work performed by such contractors, excluding deductions for retained percentages and liquidated damages.

k. Mobile Construction Equipment. Mobile units of equipment that move under their own power or are operated in conjunction with other units of self-propelled equipment, regardless of value (accounts 590 - 599, Chapter 6).

7-3 General. a. The cost accounting procedures prescribed herein will be applied, subject to exceptions and limitations stated in pertinent sections, to all military activities (except repairs and utilities work performed by Post Engineers) for which the Chief of Engineers is responsible and which are under the direction of Division and District Engineers.

1 Mar 69

b. This chapter together with Chapters 6 and 8 describes the military cost accounting system used by the Corps of Engineers. The system can be expanded or contracted to meet operating needs. For projects requiring special treatment, the establishment of additional subfeatures within the cost account structure is authorized. Where accounting treatment not provided herein appears to be required, particulars thereof should be submitted to the Chief of Engineers, with proposed method of accounting for approval.

c. Regardless of methods or combinations of methods employed to prosecute work or perform services, cost accounts and fiscal accounts will be maintained separately but will be reconciled monthly.

d. When military construction, as well as other military activities, are in progress at any given location, nothing contained herein will be interpreted as precluding the adoption of applicable procedures prescribed for construction work to such other military activities. This rule is stated to allow consistency in procedures and use of standard forms within organizational units.

e. Where work is transferred between Districts or to other offices, the responsibility thereafter for maintaining adequate cost records and submitting required cost reports will rest with the District or other office to which the work has been transferred.

f. (1) Gross costs will be compiled on the same basis as the directives for Corps of Engineers work are prepared, i.e., all elements of authorized costs will be recorded whether or not paid from funds made available for the work. The cost of material, labor, and equipment (including construction equipment, installed building equipment and equipment in place used in the completed facility), which are furnished without reimbursement from construction funds, will be taken into applicable accounts if the DD Form 1391, on which the authorizing legislation was based, included the value of such material, labor or equipment in the budget estimate. In this case "free issue" will be accounted for on estimates, job authorizations, and directives as unfunded costs (see also para 2d, ER 415-345-42). Such of the above costs as are not chargeable to the funds made available for the work will be covered by contra credits to offsetting accounts established for this purpose (see 900 series of accounts, Chapter 6).

(2) At the discretion of the District Engineer, the use of offsetting account 946 is not required for design costs chargeable to separate design authorizations. However, when compiling the total costs of construction, all applicable design costs should be included.

(3) Where design costs are incurred in one or more districts applicable to construction performed in another district, the design costs transferred pursuant to the provision of para 7-33 will be established

ER 37-345-10  
Change 40  
30 Jun 86

in separate cost accounts identified with the related construction work and offset in account 946.

g. All earnings will be credited to applicable cost accounts. In the case of appropriation reimbursements and collections creditable to general fund receipts (Miscellaneous Receipts), applicable cost accounts will be credited and contra debits will be made to offsetting debit balance accounts in the 900 series established for this purpose.

h. Costs which are not chargeable to the funds made available for the work or services to be performed, and which will ultimately be billed to debtors, will be charged to an account entitled "Work in Progress for Others." Account 774 has been designated for this purpose.

\* i. Periodic field inspections will be made by key finance and accounting employees, and close contact and understanding maintained between accounting personnel and the organization in charge of the work. Such inspections are necessary in order that those employees may familiarize themselves with the actual field work and accordingly be better qualified to detect and correct erroneous charges and to properly analyze costs. Since cost accounting is a very important branch of general accounting and records compiled are primarily for use of the engineer, and work supervisor, accountants necessarily must have a thorough understanding of the principles of general accounting, as well as a general understanding of technical work methods.

j. All cost transfers must be reviewed by an appropriate supervisory accountant. Cost transfers must be adequately justified and supported by written documentation from appropriate project management level personnel. \*

7-4. Maintenance of Construction Cost Accounts. a. Construction costs, representative of the value of work in place, will be developed by line items, as established by directive and/or AF Form 37-8. This is accomplished by currently distributing and posting fixed-price contractors\* gross earnings, costs of allocated materials, labor and material costs on CPFF and hired labor work, mobile construction equipment charges, construction plant facilities costs, and general charges and expenses. In cases where a line item or portion thereof is subject to cost limitations imposed by Congress, such as those included in ER 415-345-10, Congressional Limitations and Reporting Requirements, it will be necessary to establish sub-line item accounts under the line item for the portions subject to limitations, with the remaining costs under the line item not subject to limitation carried under another sub-line item account.

b. Under each line item, or sub-line item, separate subaccounts will be maintained currently for direct construction costs and for each cost classification under indirect costs, other construction costs (formerly Government costs) and other costs not charged or credited to project funds (offsetting accounts in the 900 series, see Chapter 6). If it is impracticable to maintain the latter accounts separately by line items or sub-line items an equitable distribution will be made as to the amount of those accounts applicable to each line item or sub-line item. The above subaccounts maintained for indirect and other construction costs will reflect the distributed portions of clearing accounts maintained for accounts in the 500-589, 590-599, 701-749, groups of accounts, accounts 775 and the 800 series accounts and charges made direct to the latter (see para 7-8b).

c. Maintenance of the cost accounts by line items will: (1) Afford a direct tie-in between official cost records and progress reports and thereby assist operating officials in the preparation of those reports.

(2) Provide conformance to current concepts of having available cost information comparable to established budgets and current directive authorizations.

d. The uniform chart of construction cost accounts contained in chapter 6, modified as necessary to meet the district\*s requirements under the provisions of paragraph 7-3b and the construction cost accounting procedures prescribed herein will be used on all military construction (including that outside of the continental United States) for which the Chief of Engineers is responsible.

e. The cost accounts will be maintained in the District Office Cost Accounting Section or, in the case of CPFF contracts, by CPFF contractors\* employees at the construction location if preferable. The District Engineer is provided a Cost Accounting Section whose functions are to maintain the cost accounts, prepare cost reports, and furnish cost data and analyses to operating officials as needed. Hence, no cost accounts will be maintained by the technical divisions of the district office. The technical divisions have a need for maintaining support data for the preparation of current working estimates, which is an element of basic control. However, data required for this purpose consist principally of known amounts of contracts already let, modifications thereto, overruns and underruns, estimates of "other construction costs" (engineering, supervision, and administration) and estimates for work in the planning and design phases and not yet placed under contract. Together with the officially maintained accounts these form a basis for effective control through reports showing the relationship of costs, estimates, schedules, etc.

f. Lump-sum and unit-price prime contractors and subcontractors will not be required to maintain the accounts or observe the procedures prescribed herein, but distribution of lump-sum and unit-price prime contractors\* and subcontractors\* gross earnings to applicable feature accounts will be effected as outlined herein, based upon analysis of payment estimates covering such work. In the establishment of bid and payment items, specification writers will give consideration to the directive items so that such items, insofar as practicable, can be readily combined to establish charges to applicable accounts.

\* g. All costs for materials, supplies, and miscellaneous services - other than those for lump-sum and unit-price contractors\* earnings and for labor, which are covered by specific instructions herein - will be charged to applicable cost accounts upon receipt of the items evidenced by a receiving report and ENG Form 4480 (Auto) (COEMIS - accounting entry/reference document).

\*

ER 37-345-10  
Change 47  
15 Sep 93

h. Amounts shown in construction directives as being withheld for suballotment to other technical services or agencies, or as being reserved for telephone facilities, etc., will be taken into applicable cost accounts at directive-stated value and contra credits therefor will be made to account 955. Overhead will not be applied to such items.

i. Costs of free issue materials, equipment, etc., will be developed currently in such a manner as to furnish the information required for report purposes.

j. Cost accounts maintained by the Government will be on ENG Form 17A (Costs). Separate sheet or group of sheets for each line item will be maintained with columnar breakdown for the following:

(1) Construction Contractor\*s Earnings.

(2) Hired Labor. Includes labor cost of employees actually engaged in construction work at the project site.

(3) Government Furnished Materials and Services. Includes costs of all materials and supplies, regardless of method of procurement, including distributed portion of account 775, and of services which may be furnished a contractor under terms of the contract, and value engineering costs.

(4) Construction Plant Facilities. Includes distributed portion of the 500-589 group of accounts.

(5) Mobile Construction Equipment. Includes distributed portion of the 590-599 group of accounts.

(6) Engineering, Supervision and Administration; Fixed Fees, Indirect Job Charges, etc. Separate column for each applicable account in the 800 series will be maintained. Includes direct charges made to the individual accounts, where practicable, and distributed portions of individual accounts maintained at project level covering indirect line item costs.

k. Accounts maintained by a CPFF contractor will be similar to the above for hired labor with columnar breakdown changed if and as required.

\* 1. Entries to cost accounts maintained by the Government will originate from the cost portion of ENG Form 4480 (Auto). Entries to cost accounts maintained by a CPFF contractor will be \*

from the same source documents or other acceptable forms designed and used by the contractor with the approval of the Contracting Officer.

- \* m. Construction costs applicable to direct fund cite procedures (i.e., contract paid by other than a Corps office) must also be recorded in the construction cost accounts. The value of work in place as derived from the construction pay estimate is recorded as Memo Placement utilizing accounting element 512, Contract Charges Paid by Other Than CE, and transaction code SE. The SE transaction code is programmed to automatically apply supervision and administration (S&A), when applicable, by inserting a 4 in column 18 of the ENG Form 4480 (Auto). Recording memo placement provides an audit trail to support the FY Cost-Budget Summary-Military Activities Report and the Military Construction S&A Report. \*

7-5. General Ledger Control. a. The cost accounts will be controlled by appropriate general ledger accounts described in chapter 2 and as shown in the chart, relating cost accounts to general ledger controls, contained in chapter 6.

b. Construction Project Line Items. Cost accounts for construction project line items, gross costs and related undistributed cost accounts are controlled by three general ledger accounts representing three general stages of construction completion and cost reporting, as follows:

<u>Cost Subsidiary</u>	<u>General Ledger Account No.</u>
(1) Costs applicable to current work in progress	1801
(2) Completed work current fiscal year	1802
(3) Completed work prior fiscal years	3011

c. Other Military Activities. Subsidiary cost accounts representing expenses for military activities other than construction projects are controlled by general ledger accounts, as follows:

<u>Cost Subsidiary</u>	<u>General Ledger Account No.</u>
(1) Expenses applicable to current fiscal year	7000, 7199 and 7822
(2) Net expenses at the close of each fiscal year	3011
(3) Net expenses applicable to prior fiscal years	3011

These current fiscal year net expenses are controlled in the general ledger by accounts 7000 O&MA Expenses, 7199 Undistributed Expenditures, and 7822 Accounts Receivable Charged Off, which are closed at the end of the fiscal year into general ledger account 3011 Net Investment from Appropriations.

d. Certain cost accounts, including offsetting accounts, under specific construction projects and other military activities are not controlled by the general ledger accounts shown in the preceding subparagraphs b and c. These cost accounts with initial controlling general ledger accounts are listed in the chart contained in Chapter 6.

ER 37-345-10  
Change 23  
20 Aug 76

e. Reconciliation of Cost Accounts with General Ledger Control Accounts. Reconciliation of current construction project and other military activities cost accounts, with the general ledger controls will be effected at the end of each month. This reconciliation will be recorded on a worksheet listing all pertinent military projects with amounts applicable to each general ledger account. To facilitate this reconciliation, there will be maintained currently in the cost ledgers, for each separate construction project (by BAAN or BSN) and other military activity, summary Cost Control accounts identified with related general ledger control account numbers. Summary postings will be made to these Cost Control accounts at the end of each posting run to detail cost accounts. For example, the net total amount of postings in a single posting run to detail project line item costs and deferred, clearing, etc., accounts which are controlled by general ledger account 1801, will be posted as one amount to summary cost control account 1801. The net total of these summary cost control accounts should balance with the detail cost accounts under each project. The following summary cost control accounts will be maintained on ENG Form 17a as required for each program or project:

\*  
1100      Accounts Receivable  
1327      Work in Process, Contractors' Plant  
1328      Work in Process, Other Government Plants  
1401      Advances to Employees (from Air Force funds only)  
1421      Working Fund Advances  
1801      Work in Progress - Real Estate Acquisition and Construction  
1802      Completed Work, Current Fiscal Year - Real Estate Acquisition and Construction  
  
1811      Construction Materials and Supplies  
1812      Construction Facilities and Equipment  
1813      Operation and Maintenance of Construction Facilities and Equipment  
  
1814      General Overhead  
1819      Other Unapplied Costs  
2892      Cumulative Depreciation - Construction Facilities and Equipment  
  
3011      Net Investment from Appropriations  
3013      Appropriation Revenues  
3014      Deposits to Treasury  
3021      Gains from Donations  
3031      Loss due to Donations  
3043.-      Military Personnel Services  
3051.1      Transfers without Reimbursement - Costs  
3052      Transfers of Accounts Receivable  
5351      Costs under Suballotments Issued  
7000      O&MA Expenses  
7199      Undistributed Expenditures  
7822      Accounts Receivable Charged Off

7-6 Applied Costs.

a. Each cost ledger account should be identified with the construction project or other military activity and related general ledger control account. In addition, on construction projects, the construction category code number and specific job and line item number as authorized in directives will be shown. Category code numbers on accounts are for information in connection with quarterly reporting on cost and progress reports. General ledger control account numbers will facilitate accumulation of information for reconciliation with general ledger controls. During work progress subsidiary cost accounts are controlled by general ledger account 1801; completed job costs, or portions of line items transferred by DD Form 1354 during the fiscal year become subsidiary to general ledger account 1802; after the close of the fiscal year during which work is completed the subsidiary accounts are controlled by general ledger account 3011 for all the work completed and transferred in the prior year(s). Therefore, it is necessary to change the general ledger control account reference on the subsidiary cost accounts accordingly. "Completed Costs, FY (show FY when completed) will be noted on the line item cost account

\* when the entire line item work is completed. On 1 Oct of the following fiscal year, accounts entirely subsidiary to general ledger account 3011 will be filed separately and marked "Completed Work, Prior Fiscal Years." Recording of cost of construction completed during the current fiscal year will be based initially on DD Form 1354 covering structures or facilities physically completed and turned over to the using service. Journal entries will be made to record cost of construction completed, including related design during the current fiscal year. These entries transferring costs from general ledger account 1801 to 1802 will be made whenever DD Form 1354 is submitted and at the end of each fiscal year for adjustments to completed work. Completed work on which no DD Form 1354 is required, such as for real estate acquisition costs not tied in with construction facilities, deleted construction items for which costs have been incurred, including related final design (whether or not completed) will be transferred to completed work on the basis of a journal entry.

b. In cases where a portion of a line item is completed and transferred to the using service on DD Form 1354, the estimated cost (or actual cost as provided in subpara e following) of each structure or facility, including installed property, covered in the transfer will be determined and entered on DD Form 1354 prior to forwarding to the commanding officer.

c. In order to maintain control over total line item costs and also record the value of completed construction in the subsidiary cost records with corresponding adjustment of general ledger accounts 1801 and 1802, the following accounts will be established in the project subsidiary cost ledger utilizing ENG Form 17A:

(1) A credit account (498) will be established for the line item immediately following the account for the total line item costs. This credit account will be identified with the project job number, and line item and show subheading "Credits for Value of Completed Work Transferred to Using Service." These credit accounts will be subsidiary to general ledger account 1801 until the entire line item is completed at which time the credit account will be closed out as described hereinafter.

(2) A summary debit account (499) will be established for each job under a project to which will be charged the amounts recorded in the line item credit accounts established in accordance with sub-paragraph (1) preceding. This account will be maintained on ENG Form 17A in total by jobs under each project. Entries will be identified with specific line items in the explanation column of the account only. The credit accounts (498) will furnish the segregated detail by line items. This debit account (499) will be identified with the project job number and current fiscal year, and show subheading "Portions of Line Items Completed and Transferred to Using Service FY (show FY during which completed)." This debit balance account (499) will be subsidiary to general ledger account 1802 during the fiscal year of completion. As of 1 Oct of the following fiscal year this account (499) becomes subsidiary to general ledger account 3011 and should be so noted. Accordingly, account 499 should be transferred, as of 1 Oct of each year, to the section of the posting tray for "Completed Work, Prior Fiscal Years" under the appropriate project and job.

d. Transfer and Adjustment of Final Costs of Completed Line Items.

(1) Upon completion of an entire line item, a portion of which previously has been transferred to completed work in accordance with subpars (1) and (2) preceding, the cost of the final portion will be determined and transferred to completed work in the same manner as the portion previously completed. This will result in the line item credit account (498) being equal in amount to the regular (debit) line item cost account. As of 1 Oct of the following year the line item credit account (498) representing completed work, will be closed into the summary debit account (499) for the appropriate project and job, after which the completed regular (debit) line item cost account becomes subsidiary to general ledger account 3011, following the procedure outlined in subparagraph a preceding

(2) In subsequent fiscal years, adjustments to completed line item costs will be accounted for by line items as prior years\* completed work adjustments under the current program. As of 1 Oct of the following fiscal year these costs (adjustments to prior years\* completed work) should be transferred to the section of the posting tray or storage binder for "Completed Work, Prior Fiscal Years" for the appropriate project, job, and line item as provided in subparagraph a preceding for other completed line item costs. However, if desired, construction costs of line items physically completed and turned over to the using service but not financially completed may be transferred to completed work using procedures set forth in para c above, for partially completed line item construction costs. Cost adjustments reflecting financial completion would then be recorded in the basic line item cost accounts, thus eliminating the need to establish separate line item cost accounts to record such adjustments.

e. In the event the establishment of the estimated costs of completed structures or other facilities in accounts 498 and 499, as provided in subparagraph b preceding, would result in a net credit in summary cost control and general ledger control account 1801 (Work in Progress) for the project job as authorized in construction directive, only actual costs as reflected in the cost records will be shown on DD Form 1354 and recorded in accounts 498 and 499. This applies in the case of a single line item under a construction directive or for partial line item transfers.

7-7 Financing Deferred or Distributive Type Costs. a. In the case of districts and divisions financed directly from military funds (such as overseas districts having only military activities and no civil works Revolving Fund), certain costs of a deferred or distributive nature which cannot be related to applicable projects at the time of the transaction must be financed from selected project funds for later distribution to using projects. Illustrations of such types of unapplied construction costs are represented by the following accounts:

(1) 500-588, 590, 591, 596, Construction Facilities and Mobile Equipment.

(2) 701-750, Construction Materials and Supplies

\* (3) 776, Value Engineering costs. \*

(4) 460, District Organizational Accounts

(5) 465 Military Construction Supervision and Administration (S&A)

b. Determination of the specific project funds to be used as a carrier fund to finance the deferred or distributive costs will be as follows:

(1) A project fund will be selected to finance the activities involved which has a large enough balance to insure that its use as a carrier fund will not interfere with the regular project work for which the funds were made available.

(2) A project should be used which will result in a minimum amount of funds adjustments. The project financing the activity should, if possible, be the project which will eventually be charged with the major portion of the cost distributed.

c. If there is no single project with sufficient funds to finance the common unapplied construction costs within the above concepts until such costs are properly distributed, one or a combination of the following or similar procedures may be used as appropriate:

(1) Advance billings may be made for estimated cost distributions covering a period of time (up to a year if feasible) or covering the estimated total requirements of each other project served, if practicable. Billings may cover estimated cost of construction facilities and equipment, or construction facilities and supplies. Amounts of the advances will be off-

ER 37-345-10  
Change 11  
11 Aug 70

set by actual costs charged and will not cover a period of time beyond which funds of the advancing project are available for obligation. Cost account 780 (par 6-3), maintained for each project, will be debited (advancing project) and credited (carrier project receiving the advance) for the amount advanced, and credited and debited, respectively, for actual costs distributed from the carrier project and charged to line items and other accounts under the advancing project.

(2) Two or more projects may be used to finance the original costs, each project being used to finance certain predetermined activities. One project fund might be used for original financing of district overhead. Another project fund might be used to finance stock of materials and supplies procured for use at the various projects, etc.

(3) Accelerated billing, and reimbursement will be effected between funds as often as necessary to prevent depletion of the carrier funds.

7-8 Distributive Costs. a. Costs in the 500 and 800 series of accounts under specific construction projects are controlled by general ledger account 1801. Costs charged to "Unapplied Construction Costs-General" are controlled by the general ledger accounts shown in the chart in Chapter 6 until apportioned to specific project costs or otherwise disposed of.

\* When depreciable items are disposed of, general ledger account 2892 will be charged with the book cost of the item and credited with the receipts or transfer value at time of transfer if transferred without reimbursement. "Unapplied Construction Costs - General" are those costs which are initially charged to a specific project and financed from a specific project's funds but the anticipated ultimate charge is to be to more than one project with appropriate reimbursement, or other cost adjustment, to the project charged initially.

b. Items of cost included in the 800 series accounts will not be charged to clearing accounts therefor if they can be equitably charged to appropriate subaccounts under the applicable line item (see par 7-4b). Accounts 820 and 830 can be distributed equitably to line items in most cases on the "Budget - percentage" basis explained in par 7-19e. Costs incurred during the design phase of a project should be charged direct to the appropriate subaccounts under the line item or distributed thereto while the design directive is still current by the use of appropriate 800 series accounts. (See Chapter 6 for description of accounts).

c. Distribution will be credited to the applicable accounts, so that the 500-589, 590-699, and 701-749 groups, accounts 775 and 776, and accounts in the 800 series, will be maintained on a net balance basis. To illustrate, costs incurred under accounts in the 500-589

group would be transferred monthly (or less frequently, if so desirable) to a control account for the group. The amount distributed would be credited to the control account, the balance of which will represent the undistributed portion of the account group.

d. The cost of storekeeping, receiving, inspecting, and issuing of materials, as well as ocean transportation and port service costs applicable to materials and supplies, will be charged to "Material Burden" account (775). Distributions thereof to line item level will be made on the basis of a percentage factor applied to the value of materials and supplies issued.

7-9. 900-Series Accounts.

\* a. The 900-series account, by categories, is:

(1) Memorandum account 900 for lost and deleted line item design effort. This account will be maintained as provided in the definition of the account in Chapter 6 and in para 7-32.

(2) Memorandum account 901 for GSA Space Costs funded by Department of the Army. GSA Space Costs will be allocated to Civil, Postal, and Military activities on the basis of the relative number of personnel occupying GSA space. Space costs allocated should include a proper share of common space, i.e., conference rooms, parking lots, etc. Space costs applicable to Military activities will be funded to OCE by HQDA from O&MA funds. Payment to GSA will be made by OCE. GSA space costs applicable to Military activities will be recorded in memorandum cost account 901. General ledgers are not applicable as the costs will not be distributed to line items. Account 901 will be allocated between S&A, E&D, and Others, and included by footnote on ENG Form 3018c for use by OCE in preparation of the Annual MILCON Report.

(3) Memorandum accounts 902.-, 904.-, and 905.- for certain unfunded military personal services. These accounts will be maintained in cost ledgers in the section for "Current Work in Progress" through 30 June of each fiscal year, then transferred to the section for "Completed Work Prior Fiscal Years. Amounts in these accounts will be reported on ENG Form 3018c as provided in Chapter 8.

(4) Memorandum offsetting account 910 for suballotments received from other than OCE - to facilitate reconciliation of costs to obligations. Maintain in the manner and for the purpose stated in para 7-26.

(5) Offsetting accounts in the 940 and 950 series to facilitate reconciliation of costs to obligations.

(6) Offsetting accounts in the 960, 970, and 980 series - to facilitate reconciliation of the Government and CPFF contractor records as to Government-furnished materials, supplies, and services, and vouchers submitted for payment.



e. Offsetting accounts in the 940 and 950 series.

- (1) The following offsetting accounts will be maintained in the cost subsidiary ledgers in the section for "Current Work in Progress" through 30 Sept of each fiscal year, then transferred to the section for "Completed Work, Prior Fiscal Years":

<u>Account Number</u>	<u>Account Title</u>
940	Property Transferred and Services Rendered Without Charge to Components Within the Department of Defense (Dr)
947	Gains from Donations (Cr)
948	Loss Due to Donations (Dr)
949	Unfunded Military Personal Services (Cr)
950	Costs under Suballotments Issued (Cr)
951	Centrally Procured Material not Chargeable to Project Funds (Cr)
952	Property and Services received without Charge from Components within the Department of Defense (Cr)
955	Funds withheld by Chief of Engineers for Work to be Performed by other Services or Agencies (Cr)
956	Unapplied Damages Assessed Contractors (Cr)
957.-	Appropriation Reimbursements and Expenditure Refunds
957.12	Accounts Receivable - Appropriation Reimbursements (Dr)
957.2	Collected (not creditable to project funds) (Dr)
957.3	Accounts Receivable charged off (Dr)
957.4	Accounts Receivable Transferred (Dr)
958.-	Miscellaneous Receipts
958.1	Accounts Receivable (Dr)
958.2	Collected (Dr)
958.3	Accounts Receivable Charged off (Dr)
958.4	Accounts Receivable Transferred (Dr)

- \* As of 1 Oct of each years the ledger sheets on which the previous fiscal years transactions have been recorded will either be moved to a section in the project cost ledger for "Completed Work, Prior Fiscal Years" or the balances, as of 30 Sept, transferred to corresponding accounts in the "Completed Work, Prior Fiscal Years" section of the cost ledger. Under either method the balances in these accounts, as of the end of the fiscal year, become subsidiary to general ledger account 3011 with the exception of accounts 957.12 and 958.1 which remain under general ledger account 1100 until collected or charged off.

(2) Account 957.11 Accounts Receivable - Expenditure Refunds (Dr) will remain in the Current Work in Progress" section of the project cost subsidiary ledger under general ledger control account 1100 until collected or charged off.

1 Mar 69

(3) Accounts 946 and 954 are not transferred on the same basis as the accounts listed above. As line items or portions of line items become completed and are transferred to completed work, related portions of accounts 946 and/or 954 are likewise transferred which offset amounts included in line item costs represented thereby.

(4) Materials, supplies and equipment transferred to a project without charge to project funds will be recorded at fair value (par. 7-18i(4)) or appraised value (par. 7-20L(1)(b)) upon receipt. Applicable cost accounts will be charged, and account 947 or 952 as appropriate will be credited. For such property transferred from a project without credit to project funds, applicable cost accounts will be credited and account 940 or 948 as appropriate will be charged. "Equipment" as used in this paragraph includes items incorporated or to be incorporated in work in place as well as other items for which the District Engineer assumes accountability that are employed in the performance of work. For equipment used but not included in the accountability of the District Engineer, see (5) below.

(5) For free issue construction equipment for which the District Engineer does not assume accountability (e.g., troop construction battalion equipment), the asset value will not be included in the financial accounts. Instead, the rental value of such equipment, determined in accordance with ER 415-345-42, will be charged to applicable cost accounts and credited to applicable account 947 or 952.

(6) For accounting for the costs of unfunded military and other personal services, see para 7-17.

f. Accounts in the 960, 970, and 980 series. These accounts will be maintained for the purposes indicated in the Chart of Accounts in Chapter 6 and in paragraph 716. The Government accounts 961 and 962 will be maintained in cost subsidiary ledgers in the section for "Current Work in Progress" until the related projects are completed, then transferred to the section for "Completed Work, Prior Fiscal Years."

7-10 Division and District Office Costs. Provisions of this paragraph apply only to divisions and districts financed directly by military funds, See paragraph 7-7 for funding. Divisions and districts financed initially from Civil Works funds (ED&M and Revolving Fund) will be governed by applicable provisions of ER 37-2-10.

a. Effective, economical accomplishment of the executive, advisory, administrative and technical staff functions of the Division and District is an essential factor in the successful operation of the two organizations. The costs of performing these functions are significant, and it is essential that such costs be budgeted and continuously controlled to the fullest extent practicable. The division and district office cost accounts provide valuable management accounting information with respect to:

- (1) The cost of performing Division and District Office Functions.
- (2) Comparisons between budgeted amounts and actual costs.
- (3) The distribution of district overhead costs.

b. The organizational accounts for district and division offices (460 and 439 series accounts listed in Chapter 6 maintained separately for each office) are designed to provide the following:

- \* (1) The labor , travel, and other costs of staff elements (Gross costs). \*
- (2) The amount of these costs charged direct to specific items of work (direct charges).
- (3) The amount of these costs remaining as overhead or undistributed indirect technical costs.
- (4) The amount of other (miscellaneous) costs charged to district overhead.

c. These accounts are established on an organizational basis and will include the total costs of operation and maintenance of the division and district offices proper (i.e., exclusive of laboratories, garages, printing plants, etc., for which separate accounts are maintained). They will be charged with the gross costs of the executive, advisory, and administrative branches and technical divisions. In addition to the costs of the principal functions assigned, costs of the following will be charged to the accounts for the organizations in which the costs are incurred: training; management and manpower surveys; programing, budgeting and scheduling; review and evaluation of management improvement projects and suggestions; training USAR Officers and foreign personnel; quarterly review and analysis; preparation of charts and exhibits for meetings, staff visits, etc.; drafting service to executive, advisory and administrative elements; and speeches. Direct charges from these to other accounts will be limited to the following services:

(1) District Office.

(a) Executive, Advisory and Administrative Services - Accounts 460.01 to 460.10 and 460.20.

1 Administrative support of other agencies on a reimbursable basis. Charges for such services will be made on the basis of agreement between parties concerned.

2 Any other service for others on a reimbursable basis.

3 Activities for which specific funding is provided.

(b) Technical Services - Accounts 460.12 to 460.19.

1a Personal services are charged directly when one hour or more of a technical division employee\*s time during a day is applicable to a specific feature or other account. (Exception: supply division employees - see 2 below.)

1b Personal services are charged indirectly when less than one hour of a technical division employee\*s time during a day is applicable to a specific feature or other account. Labor efforts of a general nature not applicable to a specific job or project should also be charged indirectly. This includes training (including employees attending colleges and universities full time), staff meetings, professional seminars, recruiting efforts, committee meetings, and other such activities.

1c Technical Division chiefs, their assistants, branch and section chiefs, are working supervisors. Consequently, the one-hour rule applies to their productive and review efforts. Their effort applied to general supervision and administration should be charged indirectly. Also, some of the effort of technical division stenographic, secretarial, and clerical personnel is indirect in nature. However, the one-hour rule is appropriate when they perform work obviously traceable to a specific end product, for example, when typing contractual documents or design engineering statements.

\* 1d A technical division\*s indirect costs will be distributed as an add-on percentage of the division direct labor charges to projects and studies. Develop a predetermined rate for each technical division by relating the technical division\*s estimated direct labor costs to its estimated indirect costs. Rates will be reviewed not less frequently than quarterly and adjusted as necessary to absorb the indirect costs during the fiscal year. Only nominal amounts may be undistributed or over distributed at fiscal year end.

\*

ER 37-345-10  
Change 24  
3 Oct 77

\* 2 Supply Division functions will be costed according to the function being performed. Those employees engaged in procurement activities will generally be costed to overhead except when making field inspections of materials and equipment, performing central procurement or COR activities for other districts or agencies, or when the effort of procuring materials and supplies for hired labor jobs are of such significance as to constitute an identifiable charge. Employees engaged in issuing plans, specifications, invitation for bids, requests for proposals, preparing contracts and modifications will be charged direct to project accounts such as 800.12 or 802.22, as applicable. \*

3 Costs of temporary duty travel and transportation in connection with services specified in 1a thru 1d and 2 above will be charged to the accounts to which the personal services are charged.

\* 4 Technical division indirect cost should not be applied to direct labor costs applicable to services of an employee loaned to work under direction of the borrowing office. Supervision of the work of a loaned employee is substantially accomplished by the borrowing office; therefore, billing of technical division indirect cost on loaned employee services is inappropriate. However, where services are performed for others, under direction of the employing office, indirect cost should be charged and billed.

\* 5 Engineer interns\* personal services and travel costs will be charged to the technical division functional account or the resident, area or project office where training costs are incurred. These costs will be included with other indirect charges and distributed to military projects based on direct labor charges of the office where training. However, direct charges will be appropriate when training at a project office having supervision over only one project. All costs of engineer interns while training with Army Facilities Engineers will be shared by the Engineering, Planning, Construction, and Operations Divisions in direct proportion to the direct labor costs of only those technical divisions. This may be done by charging these costs to a facility account under the Carrier fund and allocating to military projects using indirect costing techniques tied to direct labor.

(c) Miscellaneous Expenses - Account 460.25. District office miscellaneous expenses include such items as transportation of things, communications services, rents and utilities, printing and reproduction, supplies and materials, ADP services and other contractual services. These expenses identified to specific projects or facilities will be charged directly to the project or facility. Those identifiable to specific technical organizations (460.12-460.19 and 460.22, except 460.15) will be charged as technical indirect costs to that technical organization.

Miscellaneous expenses incurred for the Executive, Advisory and Administrative (460.01-460.10 and 460.15) organizations or incurred for over-all district use, such as supplies and materials for a central stock room or library, will be charged to the 460.20 account and distributed as overhead.

- \* (d) Permanent Change of Station, and Suggestion and Incentive Awards. Permanent change of station, suggestions and incentive awards expenses for technical organizations and facilities will be charged to the technical organizations and facilities accounts. Those expenses incurred for the Executive, Advisory and Administrative organizations will be charged to the Administrative accounts as appropriate and distributed as overhead. \*

(e) Pro Rata and Other Charges - Account 460.25. Pro rata expenses and other charges will be charged to the 460.25 account and distributed as overhead with the following exceptions:

1 Centralized Audit Service covering audits of contract work will be charged direct to projects.

2 Central payroll charges will be allocated based upon the number of employees serviced in each technical, field, facility, or overhead organization. Charges applicable to the Executive, Advisory and Administrative organizations will be charged to the 460.25 account and distributed as overhead. Charges applicable to technical, field, or facilities organizations will be charged to those organizations.

\*

ER 37-345-10  
Change 41  
31 Oct 86

\* (2) Personal Services and Travel Expenses - HQUSACE/OCE and Division Office Personnel. The pay and travel expenses of Military functions personnel assigned to HQUSACE/OCE and division offices may only be charged to project funds when the services or travel performed are directly related to the project and the project benefits specifically from such services or travel. The general rule is that a project benefits directly only when the services performed would or could, under existing Engineer Regulations, be performed by district personnel if the district were adequately staffed or had the technical expertise to perform the service. For example, the pay of HQUSACE/OCE or division office personnel "actually engaged" in design or redesign, as well as any travel costs incurred in connection therewith, are properly chargeable to project funds. The term "actually engaged" covers only those HQUSACE/OCE and division office personnel engaged directly in the design or redesign, not those engaged in supervision and review of design or redesign performed in lower echelons. Consulting services and technical assistance provided by HQUSACE/OCE and division office personnel and travel associated with such services may be charged to project funds only in those instances in which the services are requested in writing by the District Commander and benefit the project exclusively. Under no circumstances should consulting services or technical assistance of a general nature be charged to project funds. This policy is specifically applicable where a Division serves as an Operating Division, and supervises subordinate districts as well. \*

d. (Reserved)

e. The labor and travel of the Division and District Commanders and of those Executive Assistants who are assigned to discharging the functions of the executive office will be charged to Account 460.1 or 439.1, as applicable. The cost of special assistants (including the Value Engineering Officer), consultants, etc., will be charged to the account for the organizational unit where the principal duty is performed.

f. The Government\*s share of CSR, FICA, ELIF and EHBf, for each military payroll will be charged to Account 460.22- or 439.22-, Government Contributions for CSR, FICA, ELIF and EHBf, as applicable. Labor cost distributions will include the portion of Government contributions related thereto and the aggregate of such contributions will be credited to Account 460.22- or 439.22-, as applicable. It is intended that any balance in these accounts will represent pending charges or credits and will therefore approach zero as of the close of an accounting period. The ledger, Form 17a (Costs) maintained for Accounts 460.22- and 439.22- will provide four debit columns for "CSR," "FICA," "ELIF" and "EHBf," a single credit column for distributions, and a column for balance. Such balance will not be considered in the computation of overhead rates.

g. (Reserved.)

\* h. Costs of labor, travel, and other costs applicable to accounts 460.1 - 460.19 will be posted to three separate debit columns therefor, with the technical staff division costs chargeable directly to features or other accounts being entered in two separate credit columns, so that applicable balances will equal amounts subject to distribution as district overhead. Normally, charge-s will not be transferred between the "Executive, Advisory, and Administrative" and "Technical" staff accounts. However, when an employee of one organization is assigned temporarily to the supervisor of another organization, cost of his services and temporary duty travel will be included in the gross costs of the organization to which assigned and excluded from the organization from which normally assigned.

h.1 (Reserved.)

i. Account 460.30 will be credited for overhead distributed.

7-11 Overhead. The provisions of this paragraph apply only to divisions and districts financed directly by military funds. Divisions and districts financed initially from Civil Works funds (ED&M and Revolving Funds) will be governed by applicable provisions of ER 37-2-10.

a. Overhead costs represent charges accumulated in the 460 series accounts listed in Chapter 6, less direct charges to construction features and other accounts made in accordance with procedures in paragraph 7-10, the net of which is credited upon distribution to Account 460.30. Basis for distribution is indicated below.

b. Division Office Military Expenses. At the beginning of the fiscal year each Division Engineer will inform the District Engineers under his jurisdiction of the estimated amount of division expenses which will be charged to their districts during the fiscal year for work for foreign governments.

c. (Rescinded.)

\* d. OCE Pro Rata Expenses. Costs of OCE long-range training, and field activities expenses are accumulated by the office maintaining accounts for OCE for billing to divisions and districts.

OCE will inform each division and district prior to the beginning of each fiscal year the estimated amount which will be billed. Billings for the actual costs will be made quarterly.

e. Distribution of District Overhead (General Administrative) Costs.

(1) District overhead costs will be distributed to military jobs monthly on the basis of weighted labor dollars. Activity base titles, weights, and definitions are as follows:

- \* (a) Engineering and Design (Weight 1.1). Covers work described under that title in Chapter cost account 800), and similar work for others including NASA.
- \* (b) Real Estate Administration (Weight 1. 0). Covers work described in paragraph 6-30(2), and similar work for others including NASA.
- \* (c) Construction (Weight 1. 1). Covers construction work (except engineering and design, and real estate administration) including Supervision and Administration thereof; and similar work for others including NASA.
- \* (d) (Reserved.)
- (e) (Reserved.)
- \* (f) Other Activities (Weight 2.0). Includes all work not covered above. Examples of such work are master planning for military installations; central procurement and COR activities; subsurface explorations for others; inspection services for others; loan of plant or hopper dredges (lending district will apply weight of 2.0; borrowing district will apply overhead according to specific classifications above).

(2) Overhead expenses in connection with the operation of district offices remain somewhat constant throughout the year. The rates for distribution of district overhead are determined at the beginning of each fiscal year, and revised as necessary during the year. The general procedures outlined below and illustrated in subparagraph (g) should be observed.

\* (a) Estimate the regular and overtime labor costs applicable to each activity base for the fiscal year. \*

(b) Estimate the total district overhead to be incurred during the fiscal year for all military activities.

(c) To the estimates developed in (a) above, apply the weights stated in paragraph 7-11e(1), above. Deviation from these weights will be made only with approval of the Chief of Engineers. Any requests for deviations will state reasons in detail, specify the impact upon pertinent appropriations, and must show that the weights are grossly inequitable with Corps-wide implications. On the basis of these weighted costs, compute the proportionate amounts of estimated overhead in (b) chargeable to the military activities in (a) above.

(d) To the overhead amounts determined under (c) above, add any applicable balance of undistributed overhead remaining at the end of prior fiscal year.

(e) (Rescinded.)

(f) The total estimated overhead costs for each work classification will be divided by the corresponding estimated unweighted cost bases to establish predetermined overhead rates.

(g) The general method of computing overhead rates outlined in the preceding paragraphs is illustrated in the following example:

REVENUE FROM THE FEDERAL GOVERNMENT - FISCAL YEAR 1970

ACTIVITY	REVENUE FROM THE FEDERAL GOVERNMENT (1)	PERCENTAGE OF TOTAL REVENUE (2)	REVENUE FROM THE FEDERAL GOVERNMENT (3)	PERCENTAGE OF TOTAL REVENUE (4)	REVENUE FROM THE FEDERAL GOVERNMENT (5)	PERCENTAGE OF TOTAL REVENUE (6)	REVENUE FROM THE FEDERAL GOVERNMENT (7)	PERCENTAGE OF TOTAL REVENUE (8)	REVENUE FROM THE FEDERAL GOVERNMENT (9)	PERCENTAGE OF TOTAL REVENUE (10)	REVENUE FROM THE FEDERAL GOVERNMENT (11)	PERCENTAGE OF TOTAL REVENUE (12)	REVENUE FROM THE FEDERAL GOVERNMENT (13)	PERCENTAGE OF TOTAL REVENUE (14)	REVENUE FROM THE FEDERAL GOVERNMENT (15)	PERCENTAGE OF TOTAL REVENUE (16)	REVENUE FROM THE FEDERAL GOVERNMENT (17)	PERCENTAGE OF TOTAL REVENUE (18)	REVENUE FROM THE FEDERAL GOVERNMENT (19)	PERCENTAGE OF TOTAL REVENUE (20)
<b>CONSTRUCTION DIVISION</b>																				
Military Construction	1,200,000	1.0	1,200,000	10.4	1,200,000	10.4	1,200,000	10.4	1,200,000	10.4	1,200,000	10.4	1,200,000	10.4	1,200,000	10.4	1,200,000	10.4	1,200,000	10.4
Naval Construction	300,000	1.0	300,000	2.7	300,000	2.7	300,000	2.7	300,000	2.7	300,000	2.7	300,000	2.7	300,000	2.7	300,000	2.7	300,000	2.7
Construction for Others	1,200,000	1.0	1,200,000	10.4	1,200,000	10.4	1,200,000	10.4	1,200,000	10.4	1,200,000	10.4	1,200,000	10.4	1,200,000	10.4	1,200,000	10.4	1,200,000	10.4
Other Activities	20,000	1.0	20,000	0.2	20,000	0.2	20,000	0.2	20,000	0.2	20,000	0.2	20,000	0.2	20,000	0.2	20,000	0.2	20,000	0.2
Technical Support	(3,000,000)	(1.00)	(3,000,000)	-27.3	(3,000,000)	-27.3	(3,000,000)	-27.3	(3,000,000)	-27.3	(3,000,000)	-27.3	(3,000,000)	-27.3	(3,000,000)	-27.3	(3,000,000)	-27.3	(3,000,000)	-27.3
	200,000	1.00	200,000	1.8	200,000	1.8	200,000	1.8	200,000	1.8	200,000	1.8	200,000	1.8	200,000	1.8	200,000	1.8	200,000	1.8
<b>OPERATIONAL DIVISION</b>																				
Military S & B	1,000,000	1.7	1,000,000	9.1	1,000,000	9.1	1,000,000	9.1	1,000,000	9.1	1,000,000	9.1	1,000,000	9.1	1,000,000	9.1	1,000,000	9.1	1,000,000	9.1
Naval S & B	500,000	1.7	500,000	4.5	500,000	4.5	500,000	4.5	500,000	4.5	500,000	4.5	500,000	4.5	500,000	4.5	500,000	4.5	500,000	4.5
S & B for Others	1,000,000	1.7	1,000,000	9.1	1,000,000	9.1	1,000,000	9.1	1,000,000	9.1	1,000,000	9.1	1,000,000	9.1	1,000,000	9.1	1,000,000	9.1	1,000,000	9.1
Other Activities	50,000	1.0	50,000	0.4	50,000	0.4	50,000	0.4	50,000	0.4	50,000	0.4	50,000	0.4	50,000	0.4	50,000	0.4	50,000	0.4
Technical Support	(1,000,000)	(1.00)	(1,000,000)	-9.1	(1,000,000)	-9.1	(1,000,000)	-9.1	(1,000,000)	-9.1	(1,000,000)	-9.1	(1,000,000)	-9.1	(1,000,000)	-9.1	(1,000,000)	-9.1	(1,000,000)	-9.1
	200,000	1.00	200,000	1.8	200,000	1.8	200,000	1.8	200,000	1.8	200,000	1.8	200,000	1.8	200,000	1.8	200,000	1.8	200,000	1.8
<b>MAIL SERVICE DIVISION</b>																				
Military Mail Service	50,000	1.0	50,000	0.4	50,000	0.4	50,000	0.4	50,000	0.4	50,000	0.4	50,000	0.4	50,000	0.4	50,000	0.4	50,000	0.4
Naval Mail Service	50,000	1.0	50,000	0.4	50,000	0.4	50,000	0.4	50,000	0.4	50,000	0.4	50,000	0.4	50,000	0.4	50,000	0.4	50,000	0.4
Mail Service for Others	50,000	1.0	50,000	0.4	50,000	0.4	50,000	0.4	50,000	0.4	50,000	0.4	50,000	0.4	50,000	0.4	50,000	0.4	50,000	0.4
Other Activities	(50,000)	(1.00)	(50,000)	-0.4	(50,000)	-0.4	(50,000)	-0.4	(50,000)	-0.4	(50,000)	-0.4	(50,000)	-0.4	(50,000)	-0.4	(50,000)	-0.4	(50,000)	-0.4
Technical Support	13,000	1.00	13,000	0.1	13,000	0.1	13,000	0.1	13,000	0.1	13,000	0.1	13,000	0.1	13,000	0.1	13,000	0.1	13,000	0.1
<b>GENERAL INVESTMENT</b>																				
General Investment & Other Activities	20,000	1.0	20,000	0.2	20,000	0.2	20,000	0.2	20,000	0.2	20,000	0.2	20,000	0.2	20,000	0.2	20,000	0.2	20,000	0.2
	7,000,000	1	7,000,000	62.8	7,000,000	62.8	7,000,000	62.8	7,000,000	62.8	7,000,000	62.8	7,000,000	62.8	7,000,000	62.8	7,000,000	62.8	7,000,000	62.8

(1) Expenditure of military personnel payable from Civil Funds who will perform direct or indirect functions for the program, distributed to mail units in proportion to counts in column (2).  
 (2) Miscellaneous activities used for foreign operations. Paragraph 7-11.5 (D)  
 (3) Other per unit costs, based on percentages in column (2).

f. Application of Overhead. The overhead rates will be applied on regular and overtime labor except overhead will not be applied to:

(1) Labor on work performed by another CE installation and/or by various governmental elements (e.g., Post Engineer, municipalities, States, independent agencies).

(2) Labor costs to be billed to OCE for inclusion in OCE prorata expenses which are distributed to others as overhead.

(3) Executive, Advisory and Administrative labor which will be charged to and distributed as district overhead.

g. Special Procedures.

(1) The general procedures outlined above will be altered to the extent necessary to effect modified distributions of overhead prescribed for certain categories of work, e.g., NASA.

\* (2) Reserved

(3) Overhead will be computed on indirect labor charged to the technical indirect accounts. Overhead so computed will be included with the other indirect costs. These costs will be identified only as indirect costs when distributed to projects or the uniform flat rate account.

- \* (4) Division office expense applicable to work for foreign government, will be separately billed to Districts performing such work. District offices will charge these amounts to Account 460. 25.

h. Overhead costs incurred by district/operating division offices during the fiscal year should be distributed in full by the end of the fiscal year. Nominal balances of over (or under) distributed overhead may be carried forward from one fiscal year to another if complete distribution during the fiscal year would be inequitable. A nominal balance is defined as an amount not to exceed plus or minus five percent (+/-5%) of the overhead expenses for the last quarter of that fiscal year. In order to assure that overhead costs are completely distributed or that only a nominal balance remains, a review of the estimated overhead expenses and the estimated overhead base for the fiscal year will be made at least quarterly and overhead rates revised as required in accordance with para 7-11e, above.

- \* i. Inter-district Billing. The amount and rate of overhead will be shown separately in the bill for reimbursement prepared by the billing district. Overhead will not be assigned to or billed for loan of "Executive, Advisory, Administrative staff; i. e., "overhead" employees. Overhead applicable to loan of "Technical" staff employees will be charged and billed. Overhead will not be charged by the billing office for labor costs of personnel on PCS house hunting. \*

7-12 Engineering, Supervision and Administration; Fixed Fees, Indirect Job charges, etc.

a. Cost accounts under this heading comprise the 800 series accounts listed and described in Chapter 6.

\* b. Detailed accounts will be maintained, by columnar breakdown on ENG Form 17A for each directive line item to which direct charges will be made wherever practicable. Also, these accounts will be maintained at project level for accumulation of costs not charged to particular line items at time incurred, to be distributed to the line item accounts monthly. Labor and travel costs of district office technical staff personnel will be charged to specific feature, line item or project accounts as outlined in para 7-10. Labor and travel costs of field office personnel which are applicable to a specific feature or line item of work will be charged thereto; such costs which cannot be identified directly with a line item or feature, will be charged initially to accounts at the project level. All other costs (such as vehicle operations for supervision and inspection applicable to a project) may be charged initially to accounts at the project level.

c. Distribution of costs accumulated at project level will be made on a basis that will equitably charge the construction line item accounts with the portions of these costs that properly apply to work in place. In some cases (particularly for Accounts 820 and 830, Mobilization and Demobilization, respectively) it will be found practicable to effect this distribution on a "budget percentage" basis. Under this procedure, the percentage relationship of the estimated total cost of charges to the particular 800 series account on completion of the work, to the estimated gross total cost of the work on completion less the estimated total cost of the 800-series costs on completion, is established. In this connection, costs of labor and equipment may be a fair base for distributing Accounts 820 and 830. For supervision, inspection, etc., distributions to feature and line item accounts may be made on the basis of direct supervision, inspection, etc., charges made thereto.

\* d. In certain instances, such as the influx of a large number of O&MA orders at one time, it may not be feasible to work under the one-hour rule. Engineering Supervision (not actual design) associated with contract E&D of a specific group of small customer orders or several projects on one customer order may be initially charged to a Revolving Fund 459.- or Carrier Fund 800.12 account. Costs so charged must be distributed at least monthly to each applicable order or project on an equitable basis. This procedure should be used only when in the opinion of the District Engineer the advantages outweigh the disadvantages.

7-13 Supervision and Administration (S&A).

\* a. Subject to c. below, the applicable uniform Corps-wide rate will be applied to direct construction costs at line item or job level to cover related costs recorded at district level in the 465 (MILCON S&A) and 466 (O&M S&A) series of accounts. The distribution rates will be modified by HQUSACE periodically for application to work placed, according to the status of the overall account(s). The goal is to operate each account overall on a "break-even" basis; i.e., without a significant gain or loss annually. Following is a list of rates used in cost distribution and the periods for which effective: \*

<u>Rate</u>	<u>Period</u>
7.5%	1 Jan 63 thru 28 Feb 65
7.0%	1 Mar thru 30 Jun 65
6.7%	1 Jul thru 30 Sep 65
6.5%	1 Oct 65 thru 31 Oct 66
6.0%	1 Nov 66 thru 30 Jun 67
5.8%	1 Jul 67 thru 31 Dec 70
5.6%	1 Jan 71 thru 30 Jun 71
5.4%	Completed line items during period 1 Jul thru 31 Dec 71
5.1%	1 Jul 71 thru 30 Jun 72
5.0%	1 Jul 72 thru 30 Sep 78
5.2%	1 Oct 78 thru 30 Sep 79
5.0% CONUS	1 Oct 79 thru 30 Sep 83
6.5% Overseas	1 Oct 79 thru 30 Sep 83
* 5.5%	1 Oct 83 thru 31 Mar 85
5.5% MILCON	Commencing 1 Apr 85
7.5% (O&M)	Commencing 1 Apr 85

(The distribution rate effective 1 Jul 71 was originally 5.4%, but was retroactively changed to 5.1% in Jan 72. All financially completed line items during the period 1 Jul 71 thru 31 Dec 71 were distributed at the 5.4% rate. Retroactive refunds to line items remaining financially open were made as follows: FY 72, 0.6%; FY 73, 0.15%; FY 74, 0.4%; FY 76, 0.12%; and FY 77, 0.2%.)

ER 37-345-10  
Change 39  
29 Nov 85

b. Account 805, Supervision and Administration (S&A) will be established at the line item or job level. This account will be charged with S&A costs applied at the Corps-wide rate. Care will be exercised \* to insure that accounts 805 are charged and account 465.806 or 466.806 is credited in the same month in which the related direct costs are recorded in the line item or job accounts.

c. The Corps-wide S&A rate will be applied to the direct casts recorded in the line item or job accounts for all military construction except the following:

- (1) (Reserved)
- (2) Civil Defense Activities.
- (3) (Reserved)
- (4) Engineering and Design.

(5) MAP work.

(6) Work financed from foreign currency generated from sales of surplus agricultural commodities under Title I, PL 83-480 (AR 35-40), both MAP-type work under FT 580 and surplus commodity housing under FT 581 accounts.

(7) NASA and AID work.

(8) Construction performed for other non-military agencies and organizations, including non-appropriated funds.

(9) Government property furnished free by using services.

(10) Work performed for the Corps of Engineers by Installation/Base organizations (e.g., Facility Engineer).

\* (11) Work performed by the Corps chargeable to Foreign Military Sales (FMS) cases.

d. Where application of a revised Corps-wide rate to a project under contract or in process of award would cause costs to exceed a statutory limitation (including maximum adjusted station authorization limitations), the case will be submitted with full statement of facts to CDR USACE (DAEN-RMF), WASH DC 20314-1000 for decision on action to be taken.

e. The Corps-wide S&A rates will be charged on the funded costs of materials and equipment furnished contractors including items obtained through central procurement by procuring district from the construction appropriation, in accordance with ER 415-35-1. The procuring district will furnish the constructing district with descriptive data covering all significant aspects of the items procured, together with contract cost of the items and the amounts of inspection and overhead costs. The constructing district will:

(1) Credit the total cost to project account 951.

(2) Charge the value of the procurement to the applicable construction line item.

(3) Charge inspection and overhead initially to project cost account 774, and bill the total to the 465 or 466 series accounts as an expenditure refund.

(4) Include the value of the procurement in the direct construction costs to which the Corps-wide S&A rates will be applied.

The net charge to the construction project funds, in connection with centrally procured material, will be the amount of the S&A charge applied in accordance with (4) above, less the refund to the project in accordance with (3) above.

f. Architect-Engineer contracts for supervision and inspection of construction (S&I) to which the uniform Corps-wide rate applies are chargeable to account 465.802.1 or 466.802.1 and will be obligated as follows:

(1) Districts Having a Revolving Fund.

(a) Separate contracts for S&A only will be financed from the Revolving Fund.

(b) For A/E contracts which include engineering and design, and S&I, the portion applicable to S&I will be financed from P6700 funds, and such contractors\* earnings for S&I will be billed to the Revolving Fund.

(2) Districts Not Having a Revolving Fund. All S&I by contract will be financed from the applicable military carrier fund.

g. Districts not having a Civil Works Revolving Fund will finance the S&A costs from the military carrier fund. Any difference between actual S&A costs and amounts distributed at the Corps-wide rate will be transferred to Omaha District as explained in h, below.

h. Districts not having a Civil Works Revolving Fund will transfer the balance monthly in accordance with the following:

(1) The net balance in accounts 465.802.- thru 465.806 and 466.802- thru 466.806 will be transferred to Omaha District by SF 1080 to reach Omaha District by the 15th of the following month. Copy of SF 1080 will be forwarded directly to CDR USAGE (DAEN-RMF-C), WASH DC 20314-1000. The description of the voucher SF 1080 will read as follows:

	465 Account	466 Account	
Current Month Work Placement	<u>\$XXX,XXX,XXX</u>	<u>\$XXX,XXX,XXX</u>	
Current Month Income	\$XX,XXX.XX	\$XX,XXX.XX	
Less:			
Current Month S&I Expense	XX,XXX.XX	XX,XXX.XX	
Current Month General Overhead Expense	XX,XXX.XX	XX,XXX.XX	
Current Month Gain or (Loss)	<u>\$XX,XXX.XX</u>	<u>\$XX,XXX.XX</u>	*

ER 37-345-10  
Change 39  
29 Nov 85

- \* To provide information on the status of the S&A accounts to the Directorate of Engineering and Construction, cumulative CFY information will be telecopied to CDR USAGE (DAEN-RMF-C) by the 9th of each month to read as follows:

	465 Account	466 Account
FYTD Work Placement	\$XXX,XXX,XXX	\$XXX,XXX,XXX
FYTD Income	XX,XXX,XXX	XX,XXX,XXX
Less:		
FYTD Supervision and Inspection Expense	XX,XXX,XXX	XX,XXX,XXX
FYTD General Overhead Expense	XX,XXX,XXX	XX,XXX,XXX
FYTD Gain or (Loss)	XX,XXX,XXX	XX,XXX,XXX
Current Month Gain or (Loss)	XXX,XXX.XX	XXX,XXX.XX
(please Include cents here only)		

This information should be sent to telecopier number 272-0970 FTS or (202) 272-0970 Commercial. In an emergency the information should be telephoned.

If income does not equal the product of the applicable S&A rate times the related direct cost to which total income applies, appropriate explanation should be attached to copy of SF 1080 mailed to DAEN-RMF-C.

Explanation: Income is understated by X,XXX  
due to the following:

- a. X,XXX .....
- b. XXX .....
- c. XXX .....

\*

(2) In the case of net credit balance, the SF 1080 will show Omaha District as the creditor district and the transferor district as the debtor. A copy of the SF 1080 will be sent to Omaha District accompanied by Treasury check in payment.

(3) A net debit balance will be liquidated by a normal billing. When MCA P6700 is used as the carrier fund, collection of these SF\*s 1080 will be treated as appropriation reimbursements. Under any other military carrier fund, such collections will be treated as appropriation refunds.

7-14. Lump-sum and Unit Price Contract Work. a. Gross earnings of lump-sum and unit-price prime contractors and subcontractors will be charged to applicable feature accounts prescribed herein under the procedure set forth in the following paragraphs.

b. Gross earnings of lump-sum and unit-price prime contractors and of lump-sum and unit-price subcontractors under contracts executed by CPFF prime contractors or CPFF subcontractors, will be distributed to applicable construction line item cost accounts based upon analysis of payment estimates while such contracts are in progress. To the extent determined in accordance with paragraph 4-8, cost records will be kept up-to-date for the current month on the basis of engineering estimates of unpaid earnings, based on line item placement, where approved estimates are not available for inclusion in cost accounts for the month in which work is accomplished.

c. Gross earnings of lump-sum and unit-price subcontractors doing work under contracts executed by lump-sum or unit-price prime contractors (or by lump-sum or unit-price subcontractors performing work under contract with CPFF prime contractors or CPFF subcontractors), will not be separately distributed to cost accounts. Distribution of such earnings will be afforded through distribution of the payment-estimate bid or payment items of the lump-sum and unit-price prime contractors (or of the lump-sum and unit-price subcontractors performing work under contract with CPFF prime or subcontractors) letting the work.

d. Damages (specific or liquidated damages) and other charges assessed contractors or sureties for extra costs to the Government will be accounted for as provided herein.

(1) Some examples of extra costs to the Government are:

(a) S&A costs, such as for: added inspection time; replacing stakes and other marks destroyed by contractor; retesting materials after failure to meet requirements in initial test; and review of shop drawing after rejection of initial shop drawing.

(b) E&D costs of additional reviews required to meet performance standards of construction design effort and for additional engineering supervision of contract E&A, resulting from delinquent performance by contractors.

(c) Costs for terminating defaulted contract and completing facility or service by other contract or Government forces.

(d) Other costs resulting from delinquent performance by contractors, such as for: providing substitute facilities; standby time of technicians; and storage of equipment.

(2) Pending final determination by the contracting officer, the amount of damages (actual or liquidated) assessed contractors for failure to complete the contracted work within the time specified by the contract, damages withheld under the terms of the contract should be carried as accounts payable. Upon final determination, accounts payable will be liquidated and damages assessed will be credited to project cost accounts as follows.

(a) Damages finally assessed in connection with E&D will be credited to account 800.4.

(b) Damages assessed for extra S&A costs and liquidated damages assessed under the Work Hours Act of 1962, other than such damages assessed against contractors performing construction to which the Corps-wide S&A rates apply, will be credited to account 802.3.

(c) Damages assessed against contractors performing construction to which the Corps-wide S&A rates apply will be credited to account  
\* 465.802.3 or 466.802.3.

(d) Assessments for other kinds of extra costs to the Government chargeable to funds administered by the District Commander will be credited to the accounts which include such costs.

(e) Assessments for extra costs to the Government, but chargeable to other than funds administered by the District Commander, will be credited to account 956.

(f) Damages accounted for as above will be treated as an offset against engineering supervision or supervision and administration costs, as applicable, and not as a reduction of contractors' earnings.

1 Mar 69

e. Costs of allocated materials, in cases where such materials are set up in lump-sum or unit-price contracts in lump-sum amount, will be distributed to applicable accounts on the basis of information furnished by such contractors, or, dependent upon which procedure is authorized for material cost distribution, either on the basis of quantity surveys and inspectors\* reports or on the basis of coded stores requisitions.

f. Costs of materials, supplies, services, and equipment furnished by the Government, without charge, to lump-sum and unit-price contractors, will be distributed to applicable accounts on the basis of information furnished by such contractors, or, dependent upon which procedure is authorized for material cost distribution, either on the basis of quantity surveys and inspectors\* reports or on the basis of coded stores requisitions.

7-15 CPFF Contract and Hired Labor Work, a. At construction locations where a CPFF prime construction contractor is engaged, the CPFF prime contractor may maintain all cost records for all organizations at the construction location if such procedure meets with the approval of both the CPFF prime contractor and the District Engineer having jurisdiction. In such cases, however, provision will be made to insure that all accounts, including those covering general charges and expenses, are segregated so that charges incurred by Government forces and those incurred by each CPFF contractor engaged at the construction location will be separately identifiable on the cost records.

b. At construction locations where a CPFF prime construction contractor is engaged and the procedure set forth in the preceding paragraph is not adopted, cost accounts will be maintained by Government forces for work prosecuted by Government forces, and by CPFF contractors for work prosecuted by them, but there will be no duplication of cost records between these entities at any such construction location.

c. Costs on CPFF contract and hired labor work will be accumulated generally as follows:

(1) Labor costs will be charged directly to applicable cost accounts. Labor chargeable to Assembly and Shop and to Aggregate and Batching Plant operating costs will be cleared through suitable clearing accounts established therefor (see pars 7-21 and 7-22).

1 Mar 69

(2) Material costs will be charged to construction feature accounts and to other applicable accounts on the basis of "quantities in place" or on the basis of coded stores requisitions (see par 7-18).

(3) Costs of mobile construction equipment (including staff transportation facilities) will be accumulated in suspense accounts while construction is in progress. Charges for the use of such equipment, however, will be made to construction feature accounts and to other applicable accounts on the basis of pre-determined, standard, hourly cost distribution rates (see par 7-20).

(4) General and processing equipment costs, and costs of expense materials and supplies, will be charged directly to construction feature accounts and to other applicable accounts.

(5) Gross earnings of lump-sum and unit-price subcontractors will be charged directly to applicable cost accounts. Damages assessed contractors will be accounted for in accordance with para 7-14d.

d. Coding of basic cost distribution records (time cards; equipment operators\* reports; and stores requisitions, where applicable) will be done either by field personnel (either foremen, timekeepers, timecheckers, storekeepers, or field clerks) or in the Cost Accounting Section -- as mutually agreed upon, on CPFF work, by the CPFF contractor and the Contracting Officer, or, in the case of other contract and hired labor work, as found most practicable by the District Engineer. Where coding is to be done in the field, field code books will be prepared and maintained for use by field coding personnel to facilitate such coding (see par 7-24).

e. Government cost accounting personnel will periodically review CPFF contractors\* cost accounting procedure to ascertain that such procedures conform to those prescribed herein and will ascertain each month that cost accounts of CPFF prime contractors, and of CPFF subcontractors (where applicable), are in reconciliation with general ledgers. Detailed audits of cost accounts by Government forces will not be made.

f. At construction locations where work is being prosecuted by CPFF construction contract and the CPFF prime construction contractor is not maintaining all cost records for all organizations at the location, work sheets will be used by Government forces to consolidate all costs for the construction location.

ER 37-345-10  
Change 24  
3 Oct 77

g. On CPFF work, penalties and disallowed costs incurred by CPFF contractors will not be included in cost accounts on CPFF contractors\* books. Separate accounts will be established in the contractors\* general ledger for such penalties and disallowed costs.

h. Responsibilities and procedures for contracting officers and comptrollers in the administration of CPFF construction contracts are set forth in ER 415-345-270.

7-16 Terminated Construction Contracts.

a. The cost of construction, that may be included in termination settlement amounts will be charged to applicable construction feature accounts regardless of whether such costs cover fully or partially completed line items.

b. contractor termination inventories will be charged to the applicable project plant, equipment, materials, etc., accounts.

c. Termination costs other than the amounts covered by subparagraphs a and b above will be charged to Account 760.

\* 7-17 Labor Costs.

a. Government Personnel.

(1) Civilian Employees.

(a) Actual Pay Method. The following procedures are for payrolls paid initially from military funds at FOAs performing only military functions.

1 Labor charges will be made in multiples of full hours only; i.e., charges for time worked and on leave will be rounded off to the nearest whole hour. Care must be exercised to account for neither more or less than the total elapsed working period. Accordingly, no account will be charged for less than one hour, minor periods of time being absorbed in charges raised to full hour increments.

2 Labor costs are the amounts of gross pay earned for both time worked and time absent on leave with pay, plus Government contributions to the Civil Service Retirement Fund (CSR), Federal Insurance Contributions Act (FICA), Employees Life Insurance Fund (ELIF), and Federal Employees Health Benefits Fund (EHSF).

3 Leave time of employees in elements where cost account charges are generally the same each pay period will be charged to the accounts involved. Leave time of employees in the Engineering and Construction Division, etc., will be included in indirect labor which is distributed on the basis of direct labor. Reserves for leave will not be maintained.

4 Severance pay and continuation pay for traumatic job-related injuries will be charged to costs on an equitable basis and included with other current labor charges to applicable cost account. For example, payments to a former overhead employee would continue to be charged to the applicable organizational account; supervision and inspection personnel on uniform rate work would be charged to applicable 465 account and for other than uniform rate work, to work on which previously engaged or, if the majority of such work is complete, distribution would be made to current work based on other labor charges to such work.

(b) Effective Rate Method using Civil Revolving Fund. The following procedures are for payrolls paid from the Civil Works Revolving Fund for services of employees engaged on military functions.

1 Labor costs are computed under provisions of ER 37-2-10 and identified as such in the billings from the Revolving Fund.

2 Labor charges billed from the Revolving Fund will be costed on the same basis as billed; i.e., effective time worked.

(c) Effective Rate Method using a Military Carrier Fund. FOA\*s without a Revolving Fund may desire to charge labor at effective time rates. In such cases, an accrued leave and a government contribution account may be established under a military carrier fund. Similar procedures as prescribed in ER 37-2-10 for the Revolving Fund may then be followed except the accrued leave reserve account should approximate zero at the end of the fiscal year.

\* (2) Unfunded Military personnel.

(a) Direct construction. Costs of the services of military personnel engaged in direct construction will be computed in accordance with ER 415-345-42 and charged to line items. These costs will be offset in account 949.

(b) Supervision and administration of military construction. Costs of the services of military personnel engaged in supervision and administration of military construction will be computed in accordance with AR 37-108.

1 Services of military personnel engaged in direct supervision and inspection of construction, during the construction phase, to which the Corps-wide S&A rate applies will be recorded only in account 902.-. Similar services relating to military construction to which the Corps-wide S&A rate does not apply will be charged to account 802.2-, with contra credit to account 949.

2 Services of military personnel engaged in general overhead functions (i.e., general administration and indirect supervision) applicable to all military construction will be recorded only in account 904.-.

ER 37-345-10  
Change 40  
30 Jun 86

\* (3) Funded Military Personnel. Includes Foreign Military Sales (FMS) work.

(a) Direct construction. Costs of the services of military personnel engaged in direct construction will be computed in accordance with ER 415-345-42 and charged direct to line items.

(b) Supervision and administration of military construction. Costs of the services of military personnel engaged in supervision and administration of military construction will be computed in accordance with AR 37-108.

1 Services of military personnel engaged in direct supervision and inspection of construction, during the construction phase will be charged to account 802.2-. Appropriate COEMIS "G" levels are prescribed in EP 37-345-1.

2 Services of military personnel engaged in general overhead functions (i.e., general administration and indirect supervision applicable to all military construction) will be recorded only in account 804.- as appropriate. Should this circumstance occur for organizations on the COEMIS F&A subsystem, appropriate assignment of COEMIS "G" levels will be requested from DAEN-RMF-C. \*

(c) Cost of military personnel expenses will be maintained at the level prescribed by the Army Management Structure, AR 37-100-XX and in sufficient detail to accumulate cost data for Report of Military Personnel Strength (RCS CSCAB-242) and other reports prescribed by OCE Supplement 1 to AR 37-108. The total cost of military personnel expenses accumulated will equal general ledger account 3043. The provisions in AR 37-108 will be followed subject to the following:

1 Direct military personnel expenses for other than O&MA appropriation will be identified by the parent service, i.e., Army, Air Force, Navy, Marine Corps, and accumulated at the appropriation level for reporting purposes, and to develop a base for computing amounts to be distributed in accordance with paragraph 4 below. For this purpose, time of military personnel paid from MPA will not be assigned to Civil Works activities. Likewise, time of military personnel engaged on Civil Works activities and paid from civil appropriations will not be assigned to military activities. It is considered that the time of military personnel under MPA spent on civil activities is offset by time spent on military activities by military personnel paid from civil appropriations.

2 To provide equitable accounting and flexibility in assignment of company grade officers, all company grade officers will be considered as assigned to training. Labor costs of company grade officers assigned to a military TDA are recorded as an unfunded cost to the military project or account where the officer is assigned for training.

3 The cost of personnel assigned to specific projects or activities will be charged to the related budget program, project or subproject.

4 The cost of personnel performing executive, administrative or similar functions will be distributed on prorata or other equitable basis to the principle Division, District, or separate field operating activities.

5 Charges to Department of the Air Force funds allocated to the Chief of Engineers (allotments prefixed 077-) will be recorded as "Billed to Air Force" and accumulated for reports required by OCE Supplement 1 to AR 37-108.

b. Other unfunded labor costs. Costs of the unfunded personal services of other than U. S. military personnel will be computed in accordance with ER 415-345-42 and charged to construction line items. These costs will be offset in applicable account 947 or 952.

c. District Commanders will determine the most practicable means of developing source data for accumulating and recording unfunded labor costs.

d. Cost-Plus-A-Fixed-Fee (CPFF) Contractor Employees. The same principles of accounting for Government civilian employees on military rolls, outlined above, will apply Insofar as practicable to CPFF contractor employees.

e. Timekeeping and Reporting - Funded Labor Costs.

\* (1) The source of information regarding labor cost is the authorized daily or biweekly labor cost report. Daily labor reports will be utilized for activities as the District Commander deems desirable (or the CPFF contractor with the approval of the contracting officer). ENG Form No. 1 (Employee\*s Daily Labor Report) is for use in machine shops, mobile equipment, etc. ENG Form No. 1A (Daily Labor Report (Short)) is for use on other activities where daily labor reports are required. When daily labor reports are not required, biweekly time and attendance reports, such as ENG Forms Nos. 1301 and 1301a will be used. ENG Forms Nos. 1301 and 1301a are used where personnel are engaged on numerous jobs during the period. Separate biweekly time and attendance report for payroll purposes is required when daily labor cost reports are used. CPFF contractors may, with the approval of the contracting officer, use forms of their own design in lieu of the above for labor reporting purposes. \*

(2) On CPFF contracts, daily labor reports, as prepared by foremen or field clerks, will show badge numbers, total hours, rate, occupational code, description of work done, and distribution of hours worked. Cost coding will be done by field personnel or in the Cost Accounting Section by personnel familiar with the details and technicalities of the construction. In either case, personnel inserting cost codes will sign the forms in the space provided therefor. The forms will also be signed by foremen and will be forwarded to the payroll department daily. The payroll department will insert total money value on each card, post pay hours to the payroll, and forward the time cards, daily, to the Cost Accounting Section. The same procedure applies to Government hired labor, except that time and attendance for payroll purposes is covered by separate biweekly reporting on prescribed forms.

(3) If cost coding is being done in the field, coding will be carefully reviewed by designated personnel of the Cost Accounting Section who are familiar with the details and technicalities of the construction, and will be revised where necessary. Discrepancies will be clarified with the personnel, preparing and approving the reports in question without delay.

(4) Computations of labor distributions will be made by personnel responsible for submitting the labor cost reports insofar as practicable. They will be checked in the Cost Accounting Section to insure that the distributions are in agreement with actual payments. An average hourly labor rate may be established and used for costing labor of employees engaged in a common activity such as shops, central batching plants, executive, and administrative functions. Equitable costing as well as economy are prerequisites for use of the average labor rate method.

\* (5) Labor costs initially determined from information on individual time reports will be (and for group time reports, may be) summarized by account numbers chargeable, on ENG Form No. 2 (Summary of Distribution of \_\_\_\_\_) or other suitable form, and posted to applicable accounts not less frequently than monthly.

(6) Estimated Labor Costs for Incomplete Pay Period at End of Month. Except where the daily labor report is used as the basis for distributing labor cost, such costs for incomplete pay periods at month end will be estimated, and these estimated costs will be taken into consideration in the following month in recording actual labor costs for the full pay period. Either of the methods described below may be followed in distributing such estimated labor costs:

(a) On the same form used for computing (or summarizing) the actual labor cost distribution for the last full pay period of the month, show also the estimated cost distribution for the partial pay period to the end of the month, and the total of both will be distributed to the accounts. Reverse the estimated cost distribution on the summary form when making the distribution for the following full pay period, and the net difference will be distributed to the accounts.

(b) Separately schedule the estimated cost distribution for the partial pay period to the end of the month and distribute to the accounts. In the following month, either reverse the costs so distributed, or (as in (a) above) deduct the estimates from the distribution for the actual costs for the following full pay period and distribute the net difference to the accounts.

(c) Under either method outlined above, the estimated labor earnings for periods estimated will also be entered in the accounts for the period, and reversed in the accounts for the following period.

(7) Employers Contributions. The total labor charges to each account for the period will be increased by percentages for employers contributions (e.g., compensation insurance, social security taxes, etc.) as applicable.

1 Mar 69

f. Labor in connection with repair work, as shown on time reports, will be charged to the following accounts:

<u>Account</u>	<u>Purpose</u>
Construction Line Item	- Repairs to permanent- construction features.
Account 589	- Repairs to construction plant facilities, except aggregate and batching plants
Account 592	- Repairs, to mobile construction equipment
Account 796	- Repairs to aggregate plant equipment
Account 797	- Repairs to central batching plant equipment

7-18 Material Costs. The provisions of this paragraph apply to acquisitions of materials supplies and warehousing activities financed from military funds whether performed by the Government or by a CPFF contractor.

a. On CPFF contract and hired labor construction work, distribution of material costs to construction features and other applicable accounts may be effected on the basis of "quantities in place" (utilizing the 701-749 group of accounts) or on the basis of coded stores requisitions (utilizing Account 750).. The use of either of these procedures will be authorized by the Division Engineer after considering recommendations of the District Engineer having jurisdiction over the work. A combination of both procedures will not be utilized at a single construction location. Issues from stores to a Government fixed-priced contractor at the sites will always be on the basis of specific requisitions.

b. In selecting one of the two foregoing procedures, careful consideration will be given to the following factors:

(1) Relative overall economy of operating the two system as applied to the construction location under review. Salient points to be considered:

(a) Field personnel required to insure accuracy of stores-requisition use-descriptions and coding.

(b) Number of high-salaried personnel required to operate quantities-in-place procedure.

(c) Probable daily volume of stores requisitions.

(d) Personnel required to price and extend all stores requisitions.

1 Mar 69

(2) Comparative probable accuracies in cost distribution. Salient points to be considered:

(a) Probable extent of "hijacking" of materials between points within the job site once they are requisitioned.

(b) Provision in construction organization for checking ultimate destination of requisitioned materials.

(c) Availability of accurate and currently revised quantity surveys.

(3) Physical controls to be employed at the construction location to prevent loss of materials in the absence of accounting (dollar) control of stores.

(4) Availability of technically qualified personnel required to operate quantities-in-place procedure.

(5) Effect of deferring material cost distribution until different units of the construction are completed.

c. Procedures under "quantities in place" system. (1) Distribution of material costs on the basis of quantities in place will be made monthly.

(2) On CPFF work, quantity surveys, prepared in accordance with standard engineering practice, will be made by the Architect - Engineer and/or the CPFF Prime Construction Contractor (as applicable) from approved plans and specifications, as soon as such plans and specifications are available. On hired labor work, where there is no contract Architect - Engineer such quantity surveys will be prepared by Government forces under the supervision of the officer or engineer in charge of the construction. Quantities established will include waste allowances, in accordance with standard practice. These surveys will be currently modified to reflect revisions in plans and specifications made as the work progresses, and copies thereof, and of revisions thereto, will be furnished the Cost Accounting Section as soon as they are completed.

(3) The Cost Accounting Section, upon receipt of such quantity surveys and revisions thereto, will process for each

1 Mar 69

construction feature (or item of construction plant, where applicable) involving materials to be distributed on the basis of quantities in place:

(a) Form No. 67R(Costs) - Field Inspector's Report of Materials in Place (see par 7-37).

(b) Form No. 68R(Costs) - Computation of Material Cost (see par 7-37).

(4) Form 67 R(costs) - Field Inspector\*s Report of Materials in Place

(a) In preparing this form, care will be exercised to insure that only those work-items involving materials to be accounted for on an in-place basis are listed--in the columns captioned "Item Number", "Description", "Unit", and "Estimated Quantity Required". Work to be done under lump-sum or unit-price prime or subcontract, and general and processing equipment or other items to be charged direct to construction feature accounts, will not be included in the items listed.

(b) For cost purposes, these forms will be distributed to the project engineering field inspectors at each month-end, for their use in recording the degree of completion of each listed work-item by visual inspection of the construction. Inspectors will record percentages of completion in the "Percent Complete" column and any pertinent comments in the "Remarks" column. Where sub-structure work-items are completed, inspectors will record on the form (in addition to the percentage of completion of such items) quantities actually installed or used, based on visual inspection. (In the case of concrete items, inspector\* s placing reports should be referred to in this connection). This procedure will be followed so as to make available to the Project Cost Accounting Department the actual quantities of variable items installed, for use in revising the current working estimate.

(c) When these reports have been completed by the engineering field inspectors at each month-end, they will be returned to the Cost Accounting Section where the necessary computation. will be made to establish the quantities installed or used for entry on the form in the column so captioned.

(5) Form 68R(Costs) - Computation of Material Cost. (a) In preparing this form, only those items or work that have been listed, in each case, on the Field Inspector\*s Report of Materials in Place will

1 Mar 69

be listed--in the columns captioned "Item Number", "Item of Work", "Unit", and "Quantity Required". The entry to be shown in the column captioned "Original Estimate - Material Cost", will be the original estimated material cost for each item of work shown -- as developed from or on the quantity survey. The "Original Estimate" columns will not be modified from month to month, except in cases where changes in quantity survey quantities have been made, occasioned by revisions in plans and specifications.

(b) The columns captioned "Current Estimate" will be completed during approximately a 10-day period beginning with the 20th of the month, for use in material-cost computations for that month. In completing this column, consideration will be given to current revisions in estimated quantities required, and to fluctuations in average unit material costs, thus establishing the currently estimated total material cost for each work-item shown on the form. (Current average unit material costs will be maintained in a commodity file in the Purchasing Department). In the case of centrally batched concrete, where this material is not contracted for on a unit-price basis, the cost per cubic yard will be developed from the cost records of the central batching and aggregate plants. Aggregate costs, where required, will be developed from aggregate plant cost records.

(c) When the Field Inspector\*s Reports of Materials in Place are returned to the Cost Accounting Section from the field, work-items will be summarized by accounts and the column captioned "Quantities Used" (on the form "Computation of Material Costs") will be completed.

(d) The column captioned "Percent Complete" will then be computed--as the percentage relationship of the quantities shown in the "Quantity Used" column to the quantities shown in the column captioned "Current Estimate - Quantity Required".

(e) These percentages will then be applied to the currently estimated total material costs ((as shown in the column captioned "Current Estimate - Material Cost") to establish the material cost to date for entry in the column so captioned.

(6) Construction feature and construction plant material costs established on the basis of quantities in place will be posted to cost ledger sheets monthly. Upon completion of all construction work at the location, adjustments will be made to bring into agreement the value of materials charged on the basis of quantities in place and the value of materials to be so accounted for, it being noted, in this connection, that aggregate plant and central batching plant operating costs comprise a portion of the value to be accounted for.

d. Procedures under coded stores requisition system.

(1) On construction work, where distribution of material costs on the basis of coded and priced stores requisitions has been duly authorized by the Division Engineer having jurisdiction, the "Stock Control Account" (Account 750) will be utilized as the clearing account for all materials taken into storehouses, a subaccount being established thereunder for each separately supervised storehouse.

(2) Materials and supplies ordered for, and chargeable directly to, specific work items and which are not taken into storehouses for subsequent re-issue, will be charged to applicable cost accounts upon receipt. Costs of all materials taken into storehouse, however, will be charged to the Stock Control Account, and issues will be cleared therefrom, monthly on the basis of summaries of stores withdrawals prepared by storekeepers from coded, priced and extended stores requisitions, and furnished to the Cost Accounting Section, where entries crediting Account 750 and charging construction feature and other accounts will be recorded. ENG Form 3059, Requisition on Warehouseman, will be used for requisitioning materials and supplies, and care will be exercised by all concerned to insure that such requisitions bear adequate use-descriptions, proper foreman's approval, signature for receipt, and applicable cost codes. Requisitions will be priced and extended, using unit prices recorded on Warehouse Stock Record Cards, ENG Form 3055. CPFF contractors may use these or similar forms.

(3) Materials requisitioned for cost centers (including aggregate and central batching plants) will be charged upon issue, to the cost center operation accounts prescribed in the chart of construction cost accounts and will be cleared therefrom upon transfer of finished batches, assemblies, etc., from such cost centers to construction features.

(4) A report of receipt and issue of materials and supplies will be prepared by the warehouse and submitted to the Cost Accounting Section at the close of each month. The report will show book value of stock on hand at beginning of month, list of the amounts of all voucher charges to stock during the month, total credit to stock during the month as summarized in accordance with (2) above, amounts of adjustments during the month, and remaining book value at the end of the month. The ending balance will be reconciled with the balances in the general ledger and cost control accounts. Monthly, if practicable, and not less often than quarterly, the money values on stock record cards will be totaled and reconciled with the ending balance on the report. ENG Form 4A will be used for the report by Government-operated warehouses, Warehouses operated by CPFF contractors may use that or a similar form. Inventory adjustment reflected on the report will be entered as a debit or credit, as the case may be, to account 750 with contra entry to account 775.

1 Mar 69

e. A percentage factor to cover material burden will be applied to the material costs derived from "quantities in place" computations or warehouse issues, subparagraphs c and d above, included in the total materials charge, and credited to Account 775. For description of Account 775, Material Burden, see Chapter 6. (Also see par 7-8d.)

f. Costs of equipment, materials, supplies, etc., regardless of purpose for which purchased, will be charged at the time received or when issued from storehouses (under coded-stores-requisition basis of material cost distribution), as applicable, as indicated below:

<u>Item</u>	<u>Distribution</u>
Equipment and repair parts for construction facilities (other than mobile construction equipment).	Directly to construction features or other applicable accounts.
Repair parts bought specifically for repairing mobile construction equipment	Account 593-Repair Parts Purchased Specifically for Mobile Construction Equipment.
All other repair parts.	Account 720-Repair Parts or Account 750 (except those purchased specifically for mobile construction equipment).
Gas, oil, tires, and other operating supplies for mobile construction equipment.	Account 595-Gas, Oil, Diesel Fuel, Grease, Tires, Etc.
Mobile construction equipment	Account 590-Outright Purchases of Mobile Construction Equipment.
Rentals & recapture payments on mobile construction equipment	Account 591-Rental and Recapture Payments on Mobile Construction Equipment.
Operating supplies bought specifically for aggregate plants	Account 796-Aggregate Plant Operating Costs
Operating supplies bought specifically for central batching plants	Account 797-Central Batching Plant Operating Costs.
Supplies and services classified as expense	800 Series of Accounts
All other materials and supplies not bought for specific construction features or accounts.	701-719 and 721-749 groups of Accounts, or Account 750

1 Mar 69

g. Repair parts purchased specifically for mobile construction equipment will be charged in the first instance to Account 593. All other repair parts will be charged to Account 720, if material costs is distributed on quantities in place basis, or to Account 750 if the coded requisition method is in use. Material used for repair work (other than to mobile construction equipment) will be charged to:

(1) Repairs to construction features (construction line item accounts).

(2) Repairs to construction facilities (Account 589)

(3) Repairs to aggregate plant (Account 796)

(4) Repairs to central batching plant (Account 797).

based on lists of material turned in by foremen to the Cost Section at the end of each shift with approximate values computed thereon or on summary of coded requisitions, and credited to the 701-749 group of accounts end Account 750, respectively.

h. Repair parts for mobile construction equipment will be issued on requisitions, regardless of the method of material cost distribution employed at the construction location, and will be identified thereon by equipment number. Storekeepers having such repair parts in their charge, will forward requisitions for such parts to the Cost Accounting Section, where they will be sorted by piece of equipment. Those requisitions covering repair parts for CPFF-contractor-owned and third-party equipment will be priced and the repair parts cost posted to the detail ledger sheets (or cards) for these pieces of equipment. Requisitions covering repair parts for Government-owned equipment will be filed by piece of equipment for use when and if required to develop repair costs on an individual piece of equipment.

i. Transfers to Projects or to Contractors.

(1) Materials, supplies, etc., furnished by the Government, without charge, to lump-sum and unit-price contractors will be distributed to construction features and to other applicable accounts on the basis of information furnished by such contractors or on the basis of quantity surveys and inspectors\* reports, if the distribution thereof has not been effected on the coded-stores-requisition basis.

(2) Materials, supplies, etc., furnished by the Government, without charge, to CPFF prime contractors will be charged, on Government project cost records, to account 961, "Materials, etc., Furnished to CPFF Prime Contractors Without Charge", and credited to the cost accounts originally charged. Distribution of such costs to construction features and to other applicable accounts will be effected by the CPFF prime contractor

1 Mar 69

using the materials, supplies, equipment, etc., and recorded on his records, the credit on his records being to account 971.

(3) Materials, supplies, equipment (except mobile construction equipment), etc., furnished by CPFF prime contractors, without charge, to CPFF sub-contractors will be distributed to cost accounts on the records of the CPFF sub-contractors using the materials, supplies, equipment, etc. and account 983 credited. The CPFF prime contractor will charge the cost of such materials, supplies, equipment, etc., on his cost records, to account 973.

(4) Materials, supplies, equipment, etc., transferred in from other projects without charge will be recorded on Government records at fair values upon receipt, account 952 being credited and the applicable cost accounts charged.

(5) Government forces will reconcile, monthly, "offsetting" accounts (such as those for free materials, supplies, equipment, etc.) on its cost records, with those on CPFF contractors' cost records.

j. Stores Accountability

(1) Storekeepers will be held accountable for items in their care and responsible for maintaining stock record cards for warehoused items showing quantities received and issued, minimum and maximum quantity requirements, and, under the coded-stores-requisition system, average unit price thereof.

(2) Storekeeper\*s will ascertain that requisitions for warehoused items bear the approval of an appropriately designated foreman or other responsible employee, signature for receipt of the items issued, and purpose for which the material is to be used or other explanation as required.

(3) Stores requisitions will be serially numbered. In the case of "quantities-in-place" method, stores requisitions will show quantities issued only, for each item, whereas, for "coded-stores-requisition" method, the requisitions will be cost coded, priced and extended.

k. In certain overseas districts, where materials and supplies may be acquired and paid for stateside for shipment to the overseas location, it may be desirable to establish "in-transit" cost accounting for such items. To accomplish this overseas districts are authorized to use Account 749 for "Materials in Transit", which will be charged with the value of materials and supplies received stateside, based on copies of receiving documents. Upon receipt of the items at the overseas location, this account will be credited and the applicable accounts in the 701-748 group or Account 750 will be debited.

7-19 Construction Plant Facilities

- a. Construction plant facility accounts, in the 500-588 group listed in Chapter 6, will be charged with the cost of acquiring, constructing, installing and dismantling such temporary construction plant facilities, and credited with values of salvage recovered upon completion of work. These accounts will not be charged with the cost of maintaining, repairing and operating such temporary construction plant facilities.
- b. Direct costs of repairs to temporary construction plant facilities, will be charged to Account 589, "Repairs to Construction Plant (except Aggregate and Central Batching Plants)". Operation and maintenance costs will be charged to applicable line item and other accounts in connection with which the facilities are being used.
- c. In cases where items of construction plant, originally installed for temporary use while construction is in progress, are made part of the permanent facilities at the construction location, the present value of such items will be transferred to applicable construction feature accounts by crediting the asset cost account for the book cost and charging the distributive cost account for the difference between book cost and amount transferred.
- d. Individual accounts in the 500-589 group will be maintained at project level. Charges thereto will be transferred monthly to a control account for the group and distribution made therefrom to line item accounts as indicated below. Costs not identifiable as to specific projects at time incurred will be carried in "Unapplied Construction Costs-General" category of accounts (see sub par f below and Chapter 6) pending distribution thereof to projects.
- e. Distribution of the 500-589 group of accounts to line items will be made monthly on a basis which will equitably charge line item costs with the portions of construction plant facility costs applicable to work in place. In most cases, distribution on a "budget percentage basis will be the most practicable. On this basis, the percentage relationship of the estimated total cost of construction plant facilities on completion of the work, to the estimated gross total cost of the work on completion less the sum of the estimated total cost of construction plant facilities and the estimated total cost of general charges and expenses (800 series account) on completion, is established. This percentage is then applied monthly to direct line item costs (contractors earnings, labor, material, equipment, mobile construction equipment, in total) as the construction plant facilities charge. The percentage should be modified

ER 37-345-10  
Change 11  
11 Aug 70

as found necessary during progress of the work and, upon completion thereof, the distribution will be adjusted to actual cost. Accounts 519 and 520 are distributed separately to aggregate plant and central batching plant operations (Accounts 796 and 797).

f. Where the costs of construction plant facilities are charged initially to GL Account 1812, Construction Facilities and Equipment (500-588 group of cost accounts), amounts covering depreciation or amortization thereof will be charged to GL Account 1813, Operation and Maintenance of Construction Facilities and Equipment, with contra credit to GL Account 2892. Credit cost \*  
\* account for the group will be maintained in support of GL 2892. A clearing cost account will be maintained under GL 1813, for the 500-589 group of accounts, exclusive of 519 and 520, which will be charged with the above depreciation or amortization of construction plant facilities, except aggregate and batching plant equipment, and with repair costs chargeable to Account 589, separate columns for each. Distributions to projects from this clearing account, credited to GL 1813, will be generally on the same basis as outlined in subpar e above.

7-20 Mobile Construction Equipment.

a. Mobile construction equipment accounts, in the 590-599 group listed in Chapter 6, will be charged with the cost of acquisition, rental, repairs, operating supplies, and ocean transportation and port service costs. Costs of labor utilized in the operation of mobile construction equipment will be charged to the work on which engaged at time of operation.

b. Individual accounts in the 590-599 group will be maintained at project level. Charges thereto will be transferred monthly to a control account for the group and distribution made therefrom to line item accounts as indicated below. Costs not identifiable as to specific projects at time incurred will be carried in "Unapplied Construction Costs General" category of accounts (see subpar w below and Chapter 6) pending distribution thereof to projects.

c. Costs of ocean transportation and port services will be charged off on the basis of materials, supplies, mobile construction equipment, etc., shipped. The portion applicable to mobile construction equipment will be charged to Account 599 and absorbed in the operating rate established for mobile construction equipment (see below). See description of Account 775 in Chapter 6 as to absorption of the portion applicable to materials and supplies.

1 Mar 69

d. Cards, or ledger sheets will be kept, one for each piece of mobile construction equipment, only the Cost Accounting Section of the CPFF prime contractor, without duplication on the part of Government cost accounting offices or CPFF subcontractors. However, see subparagraphs s, t, and u below. To these cards will be posted acquisition costs, rentals paid, recapture payments, repair labor costs, and hours worked. Repair parts costs, and the cost of repair work by commercial firms, will be posted, by piece of equipment, for CPFF-contractor-owned and third-party equipment only. Operating supplies will not be posted by piece of equipment. Copies of requisitions, showing materials and parts used, and cost accounting copies of invoices for repair work performed by commercial firm, will be filed by the CPFF prime contractor by piece of equipment.

e. The CPFF prime or subcontractor incurring costs or expenses for mobile construction equipment will charge such costs and expenses to appropriate accounts in the 590-599 group.

f. Government cost accounting sections and CPFF subcontractors will furnish the CPFF prime contractor with the necessary information on acquisition, rental and recapture costs, and on repair labor costs, repair parts costs, and the cost of repair work performed by commercial firm - for posting to detail mobile construction equipment records. These organizations will also furnish the CPFF prime contractor with their daily equipment operation cards (see subparagraph h., below) for use in effecting the distribution of mobile construction equipment charges to construction feature and other applicable accounts.

g. The detail cards or ledger sheets (excluding costs entered thereon applicable to accounts 593 and 594) kept in the Cost Accounting Section of the CPFF prime contractor will be balanced each month to the totals of accounts 590, 591, and 592, as consolidated for the Government and all CPFF prime and subcontractors.

h. Charges for the use of mobile construction equipment will be distributed monthly to cost accounts during progress of the work, at predetermined standard cost distribution rates, such distribution being made only on the cost ledgers of the CPFF prime contractor. However, see subparagraphs s, t, and u below. Charges will be distributed on the basis of operating hours. A Daily Equipment Operation Card, Form No.69R(Costs) will be filled out for each shift, for each piece of equipment, by the operator, repair mechanic, or other person handling the equipment. Differently colored cards will be used for each shift. These cards will show the equipment number, a brief description

1 Mar 69

of the type of equipment (such as Diesel motor grader, back-filler, etc.) date, and shift number. The lower portion of the card, it will be noted, is divided into "feature tickets" to facilitate the distribution of charges to applicable, feature accounts. One feature ticket will be used for each applicable cost code, the equipment number, cost code, and operating hours chargeable thereto being shown on each feature ticket so utilized. If found advantageous, descriptions of work done, as well as cost codes, will be shown on feature tickets.

i. Cost coding of daily equipment operation cards may be done by field personnel or in the Cost Accounting Section by personnel familiar with the details and technicalities of the construction. In either case, personnel inserting cost codes will initial the cards. The cards will also be signed by the equipment operator and countersigned by the operator's foreman and by the inspector. These reports will be forwarded to the Cost Accounting Section daily, not later than the close of the following working day.

j. Where cost coding is done in the field, such coding will be carefully reviewed by designated personnel of the Cost Accounting Section who are familiar with the details and technicalities of the construction, and will be revised where necessary. Discrepancies will be clarified without delay, with personnel preparing and approving the reports in question.

k. A standard hourly cost distribution rate will be established for each item of mobile construction equipment, when the equipment is acquired. The same rate, averaged for purchased, free, and rented equipment, will be used for all pieces of equipment of the same model, make, or type. Such rates will be modified while work is in progress, as experience indicates the desirability of such modification.

l. The standard hourly cost distribution rate will be computed as the sum of the following factors:

(1) Equity Writeoff or Rental Allowance

(a) In the case of purchased equipment, an allowance to cover the estimated equipment writeoff to be charged to the job. This allowance will be based on the cost of the equipment set up on the job ready to operate, less the estimated salvage or appraised value at the end of the job. This net amount will be divided by the estimated hours of operation to develop a rate per operating hour.

(b) In the case of free equipment, an allowance to cover the difference between the appraised value at which the equipment is transferred to the job and the estimated salvage or appraised value at the end of the job. This allowance will include all costs incidental to setting up the equipment on the job ready to operate and will be divided by the estimated hours of operation to establish a rate per operating hour.

(c) In the case of rented equipment, an allowance to cover the estimated rental cost per operating hour.

(2) Maintenance and Operation Allowance.

(a) An allowance to cover the estimated cost, per operating hour, for minor and major repairs and maintenance, and the cost of operating fuel, lubricants, and other operating supplies. In connection with the establishment of allowances for overhauling and major repairs, reference is made, in the absence of more reliable information, to the publication, "Contractors\* Equipment Ownership Expense " published by the Associated General Contractors of America, Inc which lists the average experience in this respect for typical units of construction equipment. This publication may be used as a general guide in this connection, but in all cases consideration will be given to the conditions prevailing at the construction location in establishing the rates.

m. The daily equipment operation costs will be checked in the Cost Accounting Section to see that hours worked as shown on the top part, equal hours worked as shown on feature tickets (bottom part) and will be severed and sorted:

- (1) The top part by piece of equipment
- (2) The bottom part by construction feature

At the month-end, the hours shown on the tops will be totaled for each piece of equipment and will be posted to appropriate columns on the detail cards or ledger sheets.

n. Feature tickets will be sorted under each cost code by equipment number. At intervals during the month, and at the month-end, hours, by features, will be accumulated, and dollar charges, by cost accounts, computed. The hours distributed by features will be balanced with the total hours shown by the top parts of the cards for the month to date.

o. Feature tickets processed at intervals during the month will be banded together and a ticket or tape attached, plainly marked, to show total hours, total dollars (at standard cost distribution rates), and the dates covered. The batch

1 Mar 69

tickets will be entered on a work sheet - by cost accounts, and the feature tickets filed. The number of intervals during the month will depend upon the volume of tickets.

p. At the month-end, the hours worked, and the dollar charges, will be totaled on the work sheet, by cost accounts. The total hours worked for the month, as shown on this work sheet, must equal the total hours worked as shown on the detail ledger cards. Entries will be made from the work sheet to the cost accounts at the close of each month, the credit being to the control account for the 590-599 group of accounts.

q. Where the clearing-credit account appears only on the books of the CPFF prime contractor, it must be compared with actual costs and expenses for mobile construction equipment, consolidated for all organizations.

r. On completion of the project, the accumulated charges to individual cost accounts for the use of mobile construction equipment will be adjusted prorata, so that, in total, they will equal the total cost of the charges to the 590-599 group of accounts.

s. Government forces will maintain detail cards or ledger sheets on mobile construction equipment, and will effect distributions of charges to construction features, and to other applicable accounts, for the use of mobile construction equipment, only if there is no CPFF prime contractor on the project. In such cases, the procedures will be similar to those outlined above.

t. On projects on which a CPFF construction contractor is engaged and such contractor is not maintaining all cost records for all organizations at the construction location, mobile construction equipment accounts will be maintained on Government records only for costs and expenses incurred by the Government for mobile construction equipment. Costs of this nature incurred by CPFF prime or subcontractors on such projects will not be recorded on Government records. Appraised values of mobile construction equipment transferred to such projects from other locations will be charged, on Government records, to control account 596, and if such mobile construction equipment is transferred to the project without charge, the credit will be to account 952.

u. On projects on which a CPFF construction contractor is engaged, Government forces will not transfer any amounts to the CPFF contractor's control accounts, covering equipment transfers, but will furnish the CPFF contractor with sufficient information to prepare the detail cards or ledger sheets.

v. Mobile construction equipment acquisition costs will not be transferred between Government and CPFF contractor\*s records, when such equipment, having been acquired by the Government, is utilized by the CPFF contractor.

w. Where the costs of mobile construction equipment are charged initially to GL Account 1812, Construction Facilities and Equipment (cost accounts 590, 591 (Recapture payments), and 596)accounts covering depreciation thereof will be charged to GL Account 1813, operation and Maintenance of Construction Facilities and Equipment with contra credit to GL Account 2892. These credits will be posted to a separate column in the above cost accounts in support of GL 2892. A clearing cost account will be maintained under GL 1813, for the 590-599 group of accounts which will be charged with the above depreciation and with amounts chargeable to accounts 591 (Rental payments), 592, 593,594, 595, and 599, separate column for each. Distribution to projects from this clearing account, credited to GL 1813, will be generally on the same basis as outlined above.

#### 7-21 Assembly and Shop Costs

a. As employed herein, the term "Cost Center" is considered to represent assembly and fabricating shops and yards where units comprising the completed construction are pre-fabricated or assembled before being incorporated in the finished work.

b. Aggregate plants, and central batching plants for concrete production, while ordinarily classified as cost centers, are treated separately in the procedures set forth in this Chapter.

c. Procedure Where Material Costs are Distributed on Basis of quantities in Place.

(1) Fabricating and assembly and other shop direct labor will be charged to Account 798 and subsidiary ledger accounts will be used to record the labor for each such cost center.

(2) All fabricating and assembly work will be authorized by work orders.

(3) Finished pieces and assemblies transferred from cost centers to construction features will be recorded on requisitions, which will be tabulated at the end of each month, by construction feature, and by piece of assembly.

1 Mar 69

(4) The foreman of each cost center will furnish the Cost Accounting Section with a list, by items, of finished units on hand and not transferred out at the end of each month. Uncompleted items will be disregarded.

(5) The cost-center foreman, or others qualified, will estimate the unit direct labor cost of each different type of finished item transferred out during the month or still in the shop at the month-end.

(6) The Cost Accounting Section will apply these unit direct labor costs to quantities, and will adjust the unit direct labor costs so that all cost center direct labor is accounted for each month.

(7) Applicable construction feature accounts will be charged for cost center direct labor at the adjusted unit direct labor cost for assemblies transferred out during the month and these amounts will be credited to accounts 798.

(8) The balance in account 798 will represent cost center direct labor (at adjusted unit direct labor costs) in finished units not transferred out at the month-end.

(9) Materials used by cost centers will be charged, in all cases, as purchased, to the 700-749 group of accounts, not to the cost centers.

(10) The material cost of items fabricated or assembled in shops will be distributed to construction features through the monthly computation of quantities of materials in place.

(11) Labor used in cost center repairs will be charged to account 589, not to the cost centers. Materials used in cost center repairs will be charged as outlined in par 7-18g.

d. Procedure Where Material Costs are Distributed on Coded-Stores-Requisition Basis.

(1) Where material costs are distributed on the coded-stores requisition basis, the above procedures will apply with the following exceptions:

(a) Account 798 will be named "Cost Center Inventory at Month-end" and will be subdivided by cost centers as required.

(b) Applicable direct material costs, as well as costs of labor, will be charged to account 798. direct materials issued from storehouses being charged by stores

requisitions upon issuance from such storehouses, and such materials shipped direct to cost centers being charged thereto directly. Labor, materials, and supplies used in cost center repairs will be charged to account 589. Miscellaneous costs of operating cost centers will be charged to account 840.11  
Miscellaneous Indirect Job Charges.

(c) Estimates by cost-center foreman, or others qualified, of each different type of finished item transferred out during the month, or still in the shop at the month-end, will include unit direct material costs as well as unit direct labor costs, and charges to feature accounts will be based upon the itemized lists furnished by cost-center foreman.

(d) The balance in account 798 at the month end will represent cost-center direct labor and direct material costs included in work in process and in finished units not transferred out at the month-end.

7-22 Aggregate and Central Batching Plant Operating Costs.

a. Costs of labor, material. and supplies, mobile construction equipment, repairs, and equity write-off of the plants included in Accounts 519 and 520 will be accumulated by columnar breakdown in the respective operating accounts 796 and 797. Labor will include wages of mechanics, laborers, and foreman operating, repairing and maintaining aggregate plants, and operating mobile construction equipment used in aggregate production. Materials and supplies will include operating supplies, and materials used for repairing aggregate plants. Production materials will also be included under the coded-stores-requisition method of distributing materials.

b. Under the quantities-in-place method of distributing material costs, estimated unit costs of aggregate and of concrete will be computed at the start of the project to include the above elements of cost separately for production materials and operating costs. These estimated unit costs will be used to evaluate materials in place in construction line items to be charged thereto and credited to the 701-749 group of accounts and to accounts 796 and 797 respectively. Unit costs will be adjusted as necessary as work progresses to the end that all aggregate and central batching costs are equitably distributed to completed work.

R 37-345-10  
Change 11  
1 Aug 70

c. Under the coded-stores-requisition system of distributing material costs, accounts 796 and 797 will be maintained as clearing accounts for aggregate plant and central batching plant costs, being debited with all applicable production and operating costs and credited monthly with amounts charged to permanent construction features on the basis of production reports indicating units completed and delivered.

d. To facilitate the above, quantities of aggregate and of each class of concrete produced by each plant will be recorded throughout the life of the project.

e. The cost of conveying or transporting and placing concrete will be charged directly to construction features.

f. Where the costs of construction plant facilities are charged initially to GL Account 1812, Construction Facilities and Equipment (500-588 group of cost accounts), amounts covering depreciation of aggregate and batching plant equipment (Accounts 519 and 520) will be charged to GL Account 1813, Operation and Maintenance of Construction Facilities and Equipment, Cost Accounts 796 and 797, respectively, with contra credit to GL Account 2892 and to the credit cost account maintained for the 500-588 group in accordance with para 7-19f. Distribution to projects of Accounts 796 and 797, including the equity write-off (depreciation), credited to GL 1813, will follow the procedures outlined in preceding subparagraphs.

7-23 Cost Estimates. Current working estimates are necessary to establish standards against which actual costs may be measured. Reliable, accurate current working estimates are essential because, when recorded in appropriate records, they are part of the plan by which financial managers effectively maintain cost and fund control. At the option of the District Engineers, the current working estimate control records may be maintained within either the existing Comptroller or Technical organization.

a. For military construction, working estimates for design and construction as defined in ER 415-345-42 will be developed and documented in accordance with the above.

b. For real estate activities, the Work Order/Completion Report, ENG Form 3013, or other adequate estimate control document, will be processed.

c. For all other military activities, Work Order/Completion Report, ENG Form 3013, will be utilized. ENG Form 3013 will be prepared by a qualified employee of the technical staff in control of the work. Appropriate approval, as suggested by the format, will be obtained prior to the date work is to start.

7-24 Field Code Books.

a. The effectiveness of any system for the accumulation of construction costs is largely dependent upon the accuracy of coding,

b. In accordance with the general principles of the procedures prescribed in this Chapter, coding of basic cost distribution records (labor reports; equipment operation reports; and stores requisitions where applicable), may be done in the field, by either foreman, timekeepers, storekeepers, time checkers, or field clerks. In such cases, field coding will be under the supervision of a designated member of the Cost Accounting Section whose duties, among others, will include the preparation and maintenance of field code books for use by field personnel primarily as a field coding manual.

c. It is important that the member of the Cost Accounting Section to whom these duties are assigned, be thoroughly familiar with construction planning and scheduling, with the details of the construction proper, and with the manner in which construction operations are organized and controlled for the prosecution of the work. It will, therefore, be necessary for this employee to maintain close liaison with the architectural and engineering organization and with the construction organization's engineering and operating departments. This employee will also furnish field coding personnel with cross-references of plot-plan numbers and cost account codes.

d. Field code books will preferably be pocket-size and printed on durable stock. Revised editions will be clearly so noted, instructions being included in such editions to destroy superseded editions. Code books will include all cost codes for use on the project and will contain such definitions of cost accounts as are necessary to set forth concisely the nature of items chargeable to the different cost codes. Provision will be made to insure the prompt insertion in field code books of new or modified cost codes. When, in the course of construction, questions arise as to the nature of different types of charges, explanations covering these items will be inserted in the code books. Periodic meetings attended by field coding personnel, at which charges of this nature can be discussed for the benefit of all concerned, will be found helpful in this respect, particularly in the early stages of construction.

e. Careful instructions will be given to field coding personnel to insure that building site (pre-plan) numbers, equipment numbers, and job-order numbers are not confused with cost codes.

ER 37-345-10  
Change 24  
3 Oct 77

7-25 Suballotments Issued.

a. On the basis of expenditures reported on the report on Status of Allotments submitted by the sub-allottee, amounts will be entered in the appropriate cost subsidiary ledger each month by journal entry as follows:

Dr. Line item or other applicable cost account (GL 1801)  
Cr. 950 Costs under Suballotments Issued (GL 5351)  
Posting Media: ENG Form 3007

If a suballotment is not identified with a specific line item, construction facility or other cost account, necessary detail to accompany the report on Status of Allotments should be requested from the suballottee

b. A separate subaccount under cost subsidiary account 950, Costs Under Suballotments Issued, will be maintained for each suballotment issued. As suballotments are reported complete during the fiscal year, the applicable subaccount will be so noted.

c. At the close of each fiscal year the balance in general ledger account 5351 will be transferred to general ledger account 3011 Net Investment from Appropriations by Journal entry as follows:

Dr. 5351 Costs Under Suballotments Issued  
Cr. 3011 Net Investment from Appropriations  
Posting Media: ENG Form 3007

- \* Accordingly the balance in cost account 950. as of 30 Sept each fiscal year becomes subsidiary to general ledger account 3011 after general ledger closing entries for the fiscal year have been posted.

7-26 Suballotments received, a. In accordance with the provisions of AR 37-108, suballotments received will be accounted for currently in the same manner as direct allotments. Accordingly, as costs are incurred which are applicable to suballotments received, the following entries will be made in the cost and general ledgers:

Dr: GL 1801. Work in Progress (line item or other applicable cost account)

Cr: GL 2100 Accounts Payable (No cost subsidiary account)

Posting Media: ENG Form 3005 or 3006.

ALSO

The following entry will be made in a cost memorandum offsetting account not affecting the general ledger:

Cr: 910 Suballotments Received from Other than OCE - Memo (Cr)  
(former account 943)

Posting media: This entry may be shown on the ENG Form 3005 or 3006 prepared to cover costs incurred under a suballotment received.

b. A separate memorandum offsetting subaccount under account 910 will be maintained for each suballotment received. As suballotments are completed during the fiscal year, the applicable subaccount will be so noted showing fiscal year of completion. The amounts recorded in completed subaccounts will be reconciled with disbursement records and amounts transferred, during the fiscal year, to general ledger account 5201 Disbursements from Completed Suballotment. Received, from general ledger account 3012 Disbursed Allotments, at the time a suballotment received is completed and declared final.. As of 1 Oct each year these cost memorandum offsetting accounts representing suballotments completed during the previous fiscal year will be transferred in the cost ledgers to the section for "Completed Work, Prior Fiscal Years."

c. These cost memorandum offsetting accounts will be utilized during the current fiscal year in determining amounts to be included under the heading "Costs not Charged or Credited to Project (or BSN) Funds" on cost and progress reports

7-27. Estimated Month End Cost Accruals and Distributions.

a. The submission date of the Status of Allotments or Approved Operating Budgets usually necessitates monthly closing of the allotment ledger accounts prior to recording all current month actual accrued cost allocations.. and prior to completion of necessary month end cost distributions and adjustments involving more than one allotment or fund limitation. Therefore, it is necessary to estimate these accrued costs and distributions to the extent determined in accordance with par 4-8, prepare ENG Forms 3005 (or 3006 and 3006a), enter them in appropriate registers (Accrued Expenditure and Accounts Receivable), and post them to the accounts prior to closing allotment accounts for the month. Cost account 799, Costs not Recorded or Distributed at Month End., will be utilized for recording these estimated accrued costs and cost adjustments for amounts due to or due from other allotments or fund limitations under construction projects or other military activities and civil activities\* funds.

b. Account 799, Costs Not Recorded or Distributed at Month End. (GL 1801, 7000 or 7199), will be debited with the estimated end of month cost distributions representing amounts due to other allotments or fund limitations under construction projects or other military activities\* and

ER 37-345-10  
Change 23  
20 Aug 76

civil activities\* funds. It will be credited with cost distributions representing estimated amounts due from other allotments or fund limitations under construction projects or other military activities' and civil activities\* funds. Posting media will be Bureau Vouchers, ENG Form 3005 (or 3006 and 3006a) representing the estimated payables or receivables as appropriate. Separate subaccounts under account 799, properly identified, will be maintained at the same level as required for the allotment accounts.

c. After allotment accounts have been closed and prior to closing cost accounts for the month, line items and other applicable military cost accounts will be debited with actual costs and account 799, which was previously charged with the estimate, will be credited. Accordingly, credits to account 799 for estimated cost distributions due from other funds will be adjusted by crediting applicable line item or other cost accounts and debiting account 799 with the actual amounts as of the end of the month. This will result in line item and other cost accounts reflecting actual costs through the end of the month with the difference between the estimate and actual being reflected in account 799 (debit or credit) which will reconcile costs and allotment records as of the end of the month. Posting media will be Journal Entry, ENG Form 3007, as these cost entries will be within the same allotment or fund limitation and actual adjustment of funds will, not be accomplished at this time. Account 799 will be utilized for actual cost distributions and necessary adjustments after allotment accounts have been closed for the month even though estimates had not been made and recorded previously for particular items.

d. Account 799 may be utilized for recording estimated accrued contractor\*s earnings and other major items of cost when it is necessary to record these amounts prior to the time actual costs for the month have been determined, and before allocations to individual line items are available. When account 799 is utilized in this manner, it will be debited with the lump sum estimated cost chargeable to each allotment, or other fund limitation prior to closing allotment accounts for the month. Posting media will be Bureau Voucher ENG Form 3005. Prior to closing cost accounts for the month, account 799 will be credited and applicable line items or other cost accounts debited with actual allocations through the end of the month. Posting media will be ENG Form 3007.

\* e. (Reserved.)

1 Mar 69

f. The balances in 799 subaccounts will either be closed out by use of ENG Forms 3005 (or 3006 and 3006a) as of the beginning of each following month or they may remain open and the balances taken into consideration in arriving at the estimated costs to be recorded at the end of the following monthly period.

7-28 Cost Accounting Instructions pertaining to Military Real Estate Activities - Cost Accounts for Military Real Estate Activities listed and described in Chapter 6, will be maintained in the manner outlined below. Cost accrued during the fiscal year and adjustments of prior years costs will be recorded as current fiscal year costs regardless of the fiscal year of funding.

a. (1) Cost accounts will be maintained separately for each Budget Program Account (BPA) covering all military real estate activities financed by O&M,A and similar activities performed for other agencies, as required for reporting on ENG Form 2942 (see par 8-10). Accounts will be maintained to record costs separately for Army, Air Force, and each other agency.

(2) Real Property Acquisition Activities (Administration Expense), except for ABC Acquisition, will be accounted for on an "activity" basis.

(a) For Army Acquisition, there will be maintained one set of detailed subaccounts 31.21 through 31.28 to record acquisition expenses incurred on all Army real estate directives including those subaccounts required for compliance with (3) below.

(b) A similar set. of accounts will be. maintained for acquisition expenses on all Air Force real estate directives including those subaccounts required by (3) below.

(c) For AEC Acquisitions, detailed subaccounts 31.11 (Acquisition, Resettlement and Damage Claims Payments) and 31.21 through 31.28 (Acquisition Activities) will be maintained for each real estate directive.

(3) The sets of accounts required by subparagraphs (2)(a) and (b) above will include detail subaccounts 31.21 through 31.28 maintained by real estate acquisition project (to include all real estate directives therefor) for two or three major military projects (Army and/or Air Force) to be selected by the District Engineer on the basis of importance for purposes of continuity of cost analyses and for study of plans against performance and planning of future acquisition.

ER 37-345-10  
Change 22  
30 Jun 75

(4) Detail subaccounts, 31.11 (Acquisition, Resettlement and Damage Claims Payments) will be maintained for each real estate acquisition directive to record costs incurred for each Army or Air Force installation, budget station number, or budget authorization number under applicable authorizing Public Laws. For AEC and other acquisitions, this subaccount will be maintained for each acquisition directive.

(5) Detail subaccounts, 31.14 (Fee Simple, Easements and Lesser Interests - Contributions and Transfers) will, be maintained for each installation.

b. For purposes of cost accounting and to assure consistency with cost reporting and scheduling of real estate acquisition, ENG Forms 3005 will be prepared and costs recorded in the accounts at the time specified below:

(1) Acquisition by Direct Purchase (Fee, easements and lesser interests) - Immediately upon acceptance of the option by the contracting officer, and acceptance of transfer from another Government agency for those transfers requiring reimbursement.

(2) Acquisition by Condemnation - Declaration of Taking (Fee, easements, and lesser interests) - at the time check is required to be drawn for the Clerk of the U. S. Court.

(3) Acquisition by Condemnation - Complaint and Order of Possession without a Declaration of Taking (Fee, easements and lesser interests) - at the time check is required to be drawn for the clerk of the U. S. District Court for settlement by stipulation or judgment.

(4) Deficiency Judgement Payments - at the time the check, in satisfaction of the judgment is required to be drawn for the Clerk of the U. S. Court.

7-29 Cost Accounting for Administrative Support of Air Force Regional Civil Engineer (AFRCE) Regional Offices located at Division or District Offices. Administrative support furnished AFRCE regional offices in accordance with ER 1-1-6 will be accounted for as follows:

\* a. The nonreimbursable cost incurred as defined in para 10b(1) ER 1-1-6 will be charged to O&MA funds available for Division Office Military Expenses.

b. Expenses of administrative support (para 10b(2), ER 1-1-6) charged to the allotment for that purpose received from U. S. Air Force will be recorded in a single summary cost account. This cost account will be under the control of general ledger account 7199 during the current fiscal year. These accounts for prior fiscal years\* costs will be subsidiary to general ledger account 3011. These costs will not be charged with division and district overhead.

7-30 O&MA Activities Under Resource Management System. Costs will be accumulated in accounts according to the classification of expense accounts prescribed in AR 37-100 series (for examples, see para 6-2f(2)). The accounts should be subdivided as required to provide for assembling cost data according to FYDP program elements for which expense targets are established in Approved Operating Budgets.

7-31 Military Family Housing Projects.

a. A separate set of cost accounts will be maintained for each project.

\* b. Effective 1 October 1977 until 30 September 1982, Family Housing projects, except repair (O&M) projects, were charged a flat 3½% of direct construction costs for S&A. All Family Housing projects awarded after 1 October 1982 are charged S&A at the same uniform flat rate in effect for other military construction projects. Family Housing construction and/or improvement projects in progress at that date will be completed at the 3½% rate. \*

c. Engineer and design costs, including E&D during construction will be charged direct to the project and not to the S&A account.

\* 7-32 Accounting for Lost Design Effort and Design Breakage.

a. Lost Design Effort.

(1) Lost design effort is any design work which has been accomplished but which must be scrapped and redone prior to award of a construction contract because of changes in the scope of a project, criteria, weapon system requirements changes or any other reason which invalidates completed portions of design. Lost design is separate from design breakage unless the design of a project is terminated before completion or the construction of a project is cancelled, at which time all costs, including lost design, are transferred to design breakage. Design changes which do not result in increased design costs are not lost design. Close supervision will be maintained to ensure that the cost of lost design is determined and recorded so that the net cost of planning and design relatable to construction can be determined.

(2) The following memorandum field types are established to record lost design effort:

(a) Field Type 507 - Lost design effort incurred and determined in the current fiscal year (CFY).

(b) Field Type 509 - Lost design effort incurred in a prior fiscal year (PFY) and determined in the CFY.

(c) Manual records will be maintained so that entries to field types 507 and 509 can be identified as to 1) lost design effort caused by the using service such as changes in scope, criteria, and siting and 2) lost design effort caused by Corps of Engineers actions such as errors and omissions in design, false starts, and redesign to meet funding or cost limitations.

(d) Memorandum entries will be made so that amounts pertaining to each applicable 800 series account by project may be determined. These memorandum field types will not be controlled by any general ledger account, nor will amounts in the project cost accounts be adjusted by these entries. (See paragraph 8-13d for reporting cost of lost design effort.)

(3) Engineering estimates of lost design effort will be made and recorded when it is determined that work previously accomplished falls within this category. Current fiscal year entries will represent such determinations made during the current fiscal year although a portion or all of the costs may have been incurred during prior fiscal years. Engineering estimates should be subdivided to show separately the costs of current year and prior year planning and design work which was discarded. \*

(4) The entry prepared for posting to the field type will either be signed by a responsible employee of the technical division concerned, or the signed memorandum or other document on which the entry is based will be referenced on the journal entry or attached thereto. For documentation purposes) only sufficient records will be maintained so as to reflect the reasonableness of the estimates and the soundness of any assumptions included therein. Elaborate supporting documentation is not intended.

b. Design Breakage.

(1) Design breakage is defined as the total cost of (a) designs or portions of designs, studies or other projects, funded with planning and design funds, started and cancelled prior to completion, for whatever reason, including both in-house and contract work and (b) designs or portions of designs completed but not expected to be advertised for construction. The cost of a design or a portion of a design which has been completed and shelved temporarily because of deferral of the construction project or a part of the construction project to a subsequent year is not BREAKAGE but becomes BREAKAGE when and if the project is definitely cancelled rather than merely deferred Army projects will be considered cancelled when a cancellation directive (Code 8) has been issued by Headquarters DAEN. Air Force projects will be considered cancelled when notification has been issued by the appropriate AFRCE or OCE.

(2) The following memorandum field types are established to record design breakage:

(a) Field Type 508 - Design breakage incurred and determined in the CFY.

(b) Field Type 510 - Design breakage incurred in a PFY and determined in the CFY.

ER 37-345-10  
Change 28  
19 Dec 79

is subsequently reinstated in the program, a notation to that effect, with appropriate references, will be made on the accounting entry document and the previous entries in general ledger account 1802 and memorandum field types reversed. The costs related to any unused portion of reinstated deleted design will be designated as lost design effort, in accordance with paragraph 7-32a.

\*  
\*

7-33 Engineering and Design Performed for or by Another District. Where one district performs design for another district charged with the responsibility for construction of the work designed, the district performing the design will transfer the costs of the design to the district responsible for the construction. The transfer will be made on a nonreimbursable basis by journal voucher and will be reflected in separate accounts established therefor in the construction District, offset in account 946, Design Costs Financed with Other Funds (Cr). The transferor District will establish 800 Series credit accounts to reflect the transfer, offset in account 940, Property Transferred and Services Rendered Without Charge to Components Within the Department of Defense (Dr).

7-34 Fiscal Completion of Physically Completed Construction Line Items.

a. A firm policy should be established to effect financial completion of physically completed construction line items as expeditiously as possible. Insofar as practicable, a target of four months from the date of the DD Form 1354 transferring a completed line item to the using service will be established for accomplishing the above objective.

b. To help insure an early financial close-out, Division and District Engineers should exercise every facility at their command to expedite:

- (1) the correction of any deficiencies noted on the DD Form 1354 transfer document,
- (2) processing change orders and final payments to contractors,
- (3) payment of all outstanding bills,
- (4) settlement of all outstanding claims, and
- (5) allocation of all applicable government costs to physically completed line items.

c. The amounts of claims which are valid obligations will be recorded in the applicable line item cost accounts. If final settlement is made in an amount different from the amount obligated, the accounts will be adjusted.

d. In those instances where claims, properly chargeable to construction line items are administratively disapproved by the District and/or Division Engineer and forwarded to higher authority for final settlement, the *cost* of such claims will be recorded in the amount of final settlement at the time notice thereof is received.

\* e. Except as stated in sub-par f below, after making a determination of line item financial completion, as defined in paragraph 8-9, the line item cost accounts will not be adjusted to record any \* transactions amounting to less than 5% of the line item costs or \$500 whichever is lower. Such amounts will be absorbed in the costs of the remaining open project line items, except those subject to statutory cost limitations, under the same public law which authorized the financially completed line item. However, in the event that all the line items under the public law have been financially closed out, adjustments, if over \$2.5, will be costed to the line item to which they specifically pertain. Any adjustments amounting to \$25 or less will be absorbed in the district\*s overhead account.

f. The provisions of the preceding sub-paragraph are not applicable in respect to financially completed construction line items subject to statutory cost limitations. In such cases, completed line item accounts will be reopened and all applicable adjustments charged or credited thereto.

g. In effecting the above adjustments, care will be exercised to insure full compliance with all applicable fund and cost limitations.

7-25 Transfer of Projects Between Districts. Where construction projects are transferred between districts, the costs thereof will be included in the accounts of the transferee district and that office will assume responsibility for cost reporting thereafter for the transferred project. Such costs must be in complete agreement with accrued expenditures to date of transfer. Copies of the latest applicable cost reports relating to the transferred project (e.g., ENG Form 3018c-1-R) together with subsidiary costs ledgers, will be transferred to the receiving district. Other records and data will also be transferred to the extent necessary to assure uninterrupted operations (see also par 4-21)

1 Mar 69

7-36 Rounding-off Minor Amounts. a. General. The rounding off of rates and amounts as outlined below will be utilized whenever it is advantageous and equitable to do so.

b. Rates. Computed labor rates may be rounded to the nearest tenth of a dollar, e.g., a rate computed at \$2.88 would be rounded to \$2.90. Rates utilized for computing charges for overhead, distributive facility accounts, etc., may be rounded to the nearest significant equivalent which would not result in inequity. This could result in the selection of rates rounded to the nearest \$0.001, \$0.01, \$.10, \$1, \$5, \$10, etc., depending upon the relative effect of the rounding.

c. Computations and Billings. Amounts computed for use in distribution of labor, overhead, (except "operating accounts"), etc., relative to internal installation transactions and billings, to Corps of Engineers installations may be rounded to the nearest dollar. For example, assuming an account is chargeable with eight hours of labor @ \$2.80, the computed amount of \$22.40 would be rounded to \$22. Billings to installations other than those of the Corps of Engineers and to private parties should be processed at the computed amount (in the above example \$22.40).

d. Rounding Principle. In rounding rates and amounts to the nearest selected unit, when an amount falls exactly halfway between, it will be rounded to the nearest even figure, e.g., both \$11.50 and \$12.50 will be rounded to \$12; both 75¢ and 85¢ will be rounded to 80¢.

e. Treatment of Differences. After labor costs have been distributed or work is billed on rounding principle, any differences remaining because of rounding will be debited or credited to account 460.255.

7-37 Forms. Due to limited use, the following prescribed forms, samples attached, will be reproduced in the field as required.

Form No.67R (Costs) - Field Inspector\*s Report of Materials  
in Place

Form No 68R (Costs) - Computation of Material Cost

Form No 69R (Costs) - Daily Equipment Operation Card





**DAILY EQUIPMENT OPERATION CARD**

PROVIDE DIFFERENT COLOR CARD FOR  
DAY, SWING & GRAVEYARD SHIFTS

<b>PROJECT:</b>			
<b>DAILY EQUIPMENT OPERATION CARD</b>			
<b>EQUIPMENT TYPE:</b>			
<b>EQUIPMENT NUMBER:</b>		<b>DATE:</b>	<b>SHIFT NO.:</b>
<b>OPERATING HOURS:</b>	<b>REPAIR HOURS:</b>	<b>STANDBY HOURS:</b>	
<b>OPERATOR'S SIGNATURE:</b> _____			<b>BADGE NO.:</b>
<b>FOREMAN'S SIGNATURE:</b> _____			<b>BADGE NO.:</b>
<b>TIMECHECKER'S SIGNATURE:</b> _____			<b>BADGE NO.:</b>
<b>EQUIPT. NO.:</b>		<b>OPERAT'G HOURS</b>	<b>AMOUNT</b>
<b>COST CODE:</b>			
<b>EQUIPT. NO.:</b>		<b>OPERAT'G HOURS</b>	<b>AMOUNT</b>
<b>COST CODE:</b>			
<b>EQUIPT. NO.:</b>		<b>OPERAT'G HOURS</b>	<b>AMOUNT</b>
<b>COST CODE:</b>			

FEATURE  
TICKETS

FORM 69-R (Conts)  
July 48

**SIZE - 5" x 6½"**  
**STOCK - TAGBOARD**

CHAPTER 8

REPORTS

8-1 General. The reports prescribed in this chapter are in addition to those prescribed in OCE Supplement 1 to AR 37-108.

8-2 Trial Balance. A comparative trial balance of the general ledger accounts will be prepared each month following the procedures outlined in Section VIII, Chapter 13, AR 37-108. Copies of the Trial Balance will not be submitted to the Chief of Engineers unless specifically requested.

8-3 (Rescinded.)

8-4 Cost Reporting. The following cost reports are required to be submitted in accordance with succeeding paragraphs:

<u>REPORT</u>	<u>SCOPE</u>
Cost feeder data for the Real Estate Schedule/Cost and Performance Report, ENG Form 4564, RCS DAEN-RE-10(R3)	Military real estate activities, actual cost data as required by ER 405-1-11.
* Fiscal Year Cost-Budget Summary RCS DAEN-RMF-6(R4)	Functional Accounts (para 8-12).
* Fiscal Year Cost-Budget Summary - Military Activities, RCS DAEN- RMF-6(R4)	All military activities (para 8-13).
* Charges Related to Military Construction Execution (RCS: DD-M(A) 1206)	MILCON Construction (para 8-16).
8-5 (Rescinded.)	
8-6 (Rescinded.)	
8-7 (Rescinded.)	
8-8 (Rescinded.)	

c. (Rescinded.)

8-9 Financial Completion of Line Item.

a. The financial completion of a line item, as referred to in this regulation, is defined as being when:

\* (1) All costs applicable to the line item are recorded in the cost records and the current working estimate (CWE) are equal. \*

(2) All line item obligations have either been liquidated or cancelled.

(3) All accounts receivable pertinent to the line item are collected.

\* b. A target financial closeout period of four months is established by ER 415-3-15, Financial Closeout. The period starts on the date of the final DD Form 1354 (Transfer and Acceptance of Military Real Property) without deficiencies, transferring the completed project to the using service and ends on the date the district/division initiates the revocating directive, or a directive authenticating the line item is complete. To facilitate a four month financial closeout, every effort should be made to expedite: payment of all outstanding bills, allocation of all applicable Government costs to physically completed line items, processing of change orders and final payments to contractors, and completion of OD Form 1597 (Contract Closeout Checklist).

c. Projects with outstanding claims will be held open until settlement of the claim at which time the line item will be immediately closed out.

d. Projects administered by OCONUS elements may require additional time for close out because of the need to coordinate the procedures with the host country\*s requirements. For those elements operating overseas, every effort must be made to close out the projects within one year.

e. In the submission of any progress, cost or other report, in which line items are reported financially complete, the criteria established in paragraph 8-9a above will be observed. Final costs (financially completed items) included in the reports will be in complete agreement with the cost accounting records. \*

8-10 Cost and Performance, Real Estate Activities, ENG Form 4564 RCS DAEN-RE-10(R3). See ER 405-1-11.

- \* 8-11 Report of Real Estate Receipts (RCS DAEN- RMF -8(RI)). An annual report of real estate receipts will be submitted as of 30 Sept each fiscal year to reach HQDA (DAEN- RMF-A) WASH DC 20314 by the 20th of Oct. The reports (ENG Form 3041 -R) will reflect activity rounded to the nearest dollar. Totals will be shown for each line, column and section of the form. Separate reports are required for receipts related to Army Military, Civil Works, Air Force, and other agencies activities. The appropriate box in the subheading of the form will be checked. Separate negative reports for each of the fund types need not be submitted, but may be noted in the remarks section of sheet 1 of an active report. The reports will include data for the following: \*
- a. All real estate receipts collected for deposit to "General Fund Receipts" or "Special Fund" accounts (including those collections temporarily held as "Unapplied Deposits").
  - b. Telephone and telegraph receipts collected and reported to Divisions and Districts on Cash Collection Voucher, DD Form 1131.
  - c. Trailer site receipts collected and reported to Divisions and Districts on Cash Collection Voucher, DD Form 1131.
  - d. Receipts collected from use of real estate without benefit of formal instrument.

ER 37-345-10  
Change 39  
29 Nov 85

\* 8-12. Fiscal Year Cost-Budget Summary - Military Activities, RCS DAEN-RMF-6(R4)(LOCAL USE ONLY). This report may be prepared for local use at the discretion of the Division/District Commander. Preparation instructions are included in Software Note Number S-317.

- a. Rescinded.)
- b. (Rescinded.)
- c. (Rescinded.)
- d. (Rescinded.)
- e. (Rescinded.)
- f. (Rescinded.)
- g. (Rescinded.)

\*

8-13 Fiscal Year Cost-Budget Summary - Military Activities, RCS DAEN-RMF-6(R4), ENG Form 3018c.

a. Submission requirements. This is a quarterly report. Data transmission should be received at the U.S. Army Engineer Automation Support Activity (EASA) on or before 0800 hours on the 18th day of the month following the end of each quarter. When the due date falls on a Saturday, Sunday or holiday, the report will be submitted in sufficient time to ensure receipt by 0800 hours of the work day immediately preceding the due date. HQUSACE (DAEN-RMF-C) will obtain required information from the data transmitted to EASA.

b. (Rescinded)

c. (Rescinded)

\* d. Report Preparation.

(1) General. Current requirements and procedural guidance related to the preparation of ENG Form 3018c reports in the format necessary for automated submission are included in Software Note Number S-299. A uniform list of report item code numbers and descriptions is prescribed in APP 8-I for use in report preparation. Items will not be added to the list without prior approval of HQUSACE (see Note (6), APP 8-I). The uniform list consists of detailed items to be reported under five activity classifications, as follows: \*

- Item 1000000, Military Construction
- Item 2000000, Planning and Design
- Item 3000000, Miscellaneous Activities
- Item 4000000, Work for Other C of E Establishments
- Item 7000000, Total Lost Design Effort and Design Breakage

Detailed reporting instructions for each of these activity classes are set forth in subparagraphs (3) thru (7), below.

(2) Work Performed For and By Others.

(a) Work For Others. Work performed for others on a reimbursable basis with military funds (excluding work performed for other

ER 37-345-10  
Change 40  
30 Jun 86

CE districts or divisions) will be included in the applicable program class and subclass code (code positions 5 and 6) under the appropriate reimbursable funding indicator code.

(b) Work Performed by Other CE Districts and Divisions.

1 The cost of such work performed under suballotment, obligation authority, or automatic reimbursement procedure for military activities will be reported under the appropriate program codes for activity classes 1000000, 2000000, and 3000000, by the districts or division requesting the work.

2 The districts or division performing such work will include the cost thereof, using appropriate program classification codes under activity class 4000000 as provided in subparagraph (6) below.

(3) Military Construction, Item No. 1000000

(a) Military Construction costs will be reported for each of the following:

- \* Item 1100000, Construction Subject to Uniform 5.5% S&A Rate
- Item 1200000, Construction Subject to Uniform 7.5% S&A Rate
- Item 1300000, Construction Special S&A Rate
- Item 1400000, Construction Exempt from Uniform S&A Rate

(b) Cost of reimbursable supervision and administration performed for other agencies (GSA, PHS, USIA, AAFES, etc.) in connection with construction work for which the other agencies act as contracting officer and pay the contractors, while the performing district has only limited COR authority, will be reported under Item No. 1400000, Construction Exempt from Uniform S&A Rate. Reimbursable S&A costs will be reported in Columns 2, 3, and 4 under Items Nos. 1402000 or 1403000, as applicable. Contractors earnings paid by the other agencies will be reported in Column 1, under Item No. 1404000, Contracts Paid by Others. \*

(c) All columns (1) thru (18), except column (12), will be completed, as applicable, for each item, except that NASA real estate payments will be included in Item 3000000, Miscellaneous Activities. Military Construction costs, including design accomplished by the construction contractors, will exclude related planning and design costs which will be reported separately (see subparagraph (4) below).

\* (d) The footnotes "Accounts Maintained Under the Corps-wide 5.5% S&A Rate Procedure," "Accounts Maintained Under the Corps-wide 7.5% S&A Rate Procedure," and "Memo Accounts for Unfunded Military Personnel Services" will be reported in accordance with Appendix II and COEMIS Software Note No. S-299. \*

(4) Planning and Design, Item No. 2XXXXXX.

(a) General.

\* 1 This item is divided into four subclasses: Item No. 251XXXX, Planning and Design Subject to Design Limit and Related to Construction; Item No. 261XXXX, Planning and Design Exempt from Design Target and Relatable to Construction; Item No. 264XXXX, Planning and Design Not Relatable to Construction; and Item No. 271XXXX, Engineering During Construction. Four supplemental classes are provided as follows: Item Nos. 252XXXX and 262XXXX, Lost Design Effort; and Item Nos. 253XXXX and 263XXXX, Design Breakage. For each of the subclasses and supplemental classes, applicable programs will be listed in the "Item No." and "Description" columns as indicated on Ill. No. 8/1. Subclasses and supplemental classes are defined in subparagraphs (b) thru (e), below. The term "Design Target" refers to the planning and design cost target as defined in ER 1110-345-51. \*

2 Costs will be shown in applicable columns as indicated on Illus. No. 8/1. Columns (2) thru (5) and (11) will be used for all items. Columns 12, 13 and 16 will be used in accordance with the following table:

<u>Item No.</u>	<u>Col 12</u>	<u>Col 13</u>	<u>Col 16</u>
* 251XXXX	Used	Used	Used
252XXXX	Used	Used (#)	Not used
253XXXX	Used	Used (#)	Not used
261XXXX	Used	Used	Used
262XXXX	Not used	Used (#)	Not used
263XXXX	Used	Used (#)	Not used
264XXXX	Not used	Used	Used
271XXXX (1)	Not used	Used	Used

(#) Amounts shown should equal to amounts in Column (11), rounded to next higher \$1,000.

\* (1) Used only Item Code 271XXXX for Engineering During Construction.

3 Planning and design contractors earnings and the cost of Government materials, etc., furnished to such contractors will be reported as contract costs in column 2. The cost of technical administration, supervision, and verification by Government forces of contract planning and design (cost account 800.12) and related overhead will be reported

on the contract line in columns 3 and 4, respectively. All other planning and design costs and related overhead will be reported as hired labor costs in columns 3 and 4, respectively.

4 A determination will be made at the initiation of each design work order as to Which of the above three subclasses is applicable to a design project. It is intended that the total costs of a design project be subject to only one subclass.

(b) Planning and Design Subject to Design Target and Relatable to Construction, Item No. 251XXXX. This item will include all planning and design costs as defined in paragraph 6-3i (including alternative design schemes and bid additives and deductives) associated with the following:

1 MCA, MCAF, Navy, Family Housing, DOD, Reserve, National Guard, urgent minor construction and other projects in the Military Construction Program (MCP), where the basic authority is an annual (MCP) or supplemental (SMCP) MC Authorization and Appropriation laws. Example: SMCP for Korea authorized by PL 90-392.

2 Procurement of Ammunition, Army (PAA), NASA, Foreign Governments, Cemetery, AID, MAP, and nonappropriated fund construction projects.

(c) Planning and Design Exempt from Design Target and Relatable to Construction, Item No. 261XXXX. This item will include planning and design costs associated with the following activities:

1 OMA and RDT&E construction projects and other construction projects not included in Item No. 251XXXX above.

2 Construction projects where basic design is accomplished by the construction contractor. This includes projects using two-step formal advertising procedures or one-step (turn-key) negotiated contracts. Design costs reported will not include the value of design accomplished by the construction contractor.

(d) Planning and Design Not Relatable to Construction, Item No. 264XXXX. This item will include planning and design costs associated with the following activities:

1 Master planning, feasibility studies, and assisting commands with preparation of DD Forms 1391. These activities are usually OMA funded.

2 Standard plans and specifications. However, where the standard is developed concurrently and in conjunction with the design of an approved project, the costs for design of the approved project should be reported as subject to the design target and relatable to construction, as applicable. Only additional costs required for developing the standard should be reported as not relatable to construction.

\* 3 Value Engineering, when charged to design funds. \*

3 Work of planning and design nature not funded from annual (MCP) or supplemental (SMCP) appropriations and not pertinent to contemplated construction. Such work will be funded separately by using services.

4 Where design is by an agent other than a Corps of Engineers district or division (such as for AF missile bases and constructing districts utilize plans and specifications prepared by this other agent, such as the Air Force), only the planning and design costs incurred by district engineers (such as site investigation, review of plans and specifications, etc.) will be reported for this item.

(e) Planning and Design Supplemental Classes.

\* 1 Lost Design Effort, Item Nos. 2520000 and 2620000. Include only costs incurred in the fiscal year of the report in connection with planning and design work discarded, as defined in paragraph 7-32a, in the report fiscal year. Costs incurred in prior fiscal years will not be included.

2 Design Breakage, Item Nos. 2530000 and 2630000. Include only costs incurred in the fiscal year of the report in connection with design deleted from the program in the report fiscal year (see para 7-32b), and the related cost of construction for which design costs were incurred in the report fiscal year. Costs incurred in prior fiscal years will not be included.

(5) Miscellaneous Activities, Item No. 3000000. This item will include costs of work for activities which are the responsibility of the reporting organization, not included in Item 1000000, Military Construction or Item 2000000, Planning and Design. Applicable programs will be listed in the "Item No" and "Description" columns as indicated on Ill. No. 8/1. Columns (1) thru (11) and (13) thru (18) will be completed, as applicable, for each item listed.

(6) Work for Other C of E Establishments, Item No. 4000000.

(a) This item will include costs of work performed by one district or division for another (see para (2), above). Applicable programs will be listed under each of the subclasses as indicated on Ill. No. 8/1.

(b) Construction performed for another district or division will be included by the performing establishment, under Items 4100000 through 4400000, as applicable.

(c) Planning and design performed for another district or division which would normally be considered as relatable to construction will be shown, by the performing establishment, under Item 4610000, Planning and Design Exempt from Design Target, Relatable to Construction. \*

ER 37-345-10  
Change 40  
30 Jun 86

(7) Total Lost Design Effort and Design Breakage, Item No. 7000000.

- \* This item will include total costs incurred in prior fiscal years and in the report fiscal year in connection with planning and design work discarded as Lost Design (Item Nos. 7520000 and 7620000) in the report fiscal year, and in connection with Design Breakage (Item Nos. 7530000 and 7630000) in the report fiscal year. Costs will be shown at the appropriate program class and subclass level set forth in APPENDIX 8-I, and detailed to "Work Performance Indicator" Code 1 and 2 level. Columns 13 and 17 will not be used (See Ill. No 8/1). Amounts shown for Item Nos. 7520000, 7530000, 7620000, and 7630000 must equal or exceed similar amounts shown for Item Nos. 2520000, 2530000, 2620000, and 2630000, respectively. Amounts reported for this Item (7000000) will not be included in totals for Item 6000000. \*

(8) Further explanations of the use of columns on ENG Form 3018c are as follows:

(a) Column 1. Include costs of hired labor and contract work, materials, equipment, transportation, value engineering, etc. incurred in connection with the military construction, and the miscellaneous activities programs of the Corps of Engineers, which contribute directly to completion of the end product. Exclude all Government expenses for engineering, administration, supervision, and inspection.

(b) Columns 2 and 3. Include "Other Costs," i.e., supervision and inspection applicable to construction exempted from the Corps-wide S&A rates, Item 14XXXXXX; engineering and design costs, Item 2XXXXXX; and similar costs in Item 3XXXXXX.

(c) Column 4. Include costs distributed as follows:

\* 1 S&A costs distributed to Items 11XXXXX through 13XXXXX and 41XXXXX through 43XXXXX activity. Total S&A costs distributed to work performed by the reporting organization will agree with the balance in account 465.806 and 466.806 shown in the footnote(s). (Note.-- Since damages assessed contractors in connection with uniform S&A rate work will not be reflected as such in the final costs of applicable line items and projects under the uniform rate procedure, the amounts thereof should not be reported under Items 11XXXXX through 13XXXXX and 41XXXXX through 43XXXXX.)

2 Overhead distributed to all other activities. \*

(d) Columns 5, 10 and 11. Self-explanatory.

(e) Reserved

(f) Column 7. Include all payments made to land owners and others for acquisition of real estate interests including leases and resettlement reimbursements.

(g) Column 8. Include the dollar value of supplies and equipment procured in the military supply procurement program and the dollar value of equipment furnished without reimbursement by the using service for which the construction is performed.

(h) Column 9. Include cost of other work on which no overhead or Corps-wide S&A Rate was applied, not included in Columns 1, 2, 7 or 8.

(i) Column 12.

\* 1 The estimated costs of construction used in computing actual performance is reported in Column 12 under Item No. 2510000, Planning and Design Subject to Design Target, Relatable to Construction, Item 2520000, Lost Design Effort, and Item No. 2530000, Design Breakage. In addition, the estimated cost of construction reported under Item 2610000, Planning and Design Exempt from Target, Relatable to Construction, and under Item 2630000, Design Breakage, Exempt from Target will be used as the basis for evaluating P&D exempt from the target for management purposes. It will include the estimated value of construction related to the sum of hired labor and contract planning and design costs. The value of construction will be estimated at 90% of the programmed cost amount approved by Congress or other appropriate authority. For MCA items, the programmed amount will be initially obtained from the Military Construction, Army (MCA) FY Design Program or design directive. For Air Force items, the programmed amount is generally established by Air Force design instruction. For other programs, this amount will be 90% of the total amount authorized for the item by directive or by the using agency, excluding design costs. Where no costs have been established by either a directive or the using agency, the CWE, less an appropriate allowance for S&A and contingencies, should be used in lieu of 90% of the programmed amount. The programmed cost of construction will not be increased for 5% or 10% over-runs in station total authorization. Similarly, it will not be decreased when actual construction costs are lower than the programmed amount. However, the programmed cost of construction may be increased where a deficiency authorization is approved by Congress, or where a formal reprogramming action is approved by higher authority. \*

2 The estimated cost of construction reported in Column 12 will be based on the estimated percentage of design actually accomplished. For example, assume that the costs for planning and design for a project or line item during the fiscal year amounted to \$40,000 of the \$100,000 total estimate for P&D on the project, but only 35% of the total estimated planning and design requirement was accomplished. If the total programmed cost of the project or line item was \$1,500,000, the estimated cost of construction (cost of work designed) reported on ENG Form 3018c would be  $0.35 \times (90\% \times \$1,500,000)$  or \$472,500. The sum of

ER 37-345-10  
Change 40  
30 Jun 86

the estimated cost of construction reported in two or more fiscal years for a complete line item or project should equal but not exceed 90% of the programmed cost of the line item or project. For deleted line items or projects, the estimated cost of construction reported should equal but not exceed that portion of the total project that was actually designed prior to the work stoppage. The estimated cost of construction will be formalized and documented for future reference.

(j) Columns 13, 14 and 15 cover estimates for the current fiscal year which will be based on the latest approved program.

1 Column 13 will include amounts reported in columns 14 and 15. The amounts shown will be in excess of, or at least equal to, amounts reflected in column 11.

2 Column 14 will show in parentheses the estimates for cost of land, leases and other real estate payments, and will be in excess of or at least equal to the amount shown in column 7.

3 Column 15 will show in parentheses the estimates for cost of work which will be reported in columns 8 and 9 on which no overhead or Corps-wide S&A rate will be applied. This amount will be in excess of, or at least equal to, the sum of amounts shown in columns 8 and 9.

4 Reserved.

(k) Columns 16, 17 and 18. Except for the requirement for a comparison to actual costs, the provisions cited in subparas (j)1, (j)2 and (j)3 apply in the reporting of succeeding fiscal year estimates.

(9) Reserved

\* (10) Required footnotes on ENG Form 3018c are as follows: (See Appendix II and COEMIS Software Note Number S-299 for reporting instructions.)

(a) Footnote 1: Division office functional costs applicable to Military Activities, FY to date. Amounts reported will be to the nearest dollar, except for Net to O&M,A, CFY Estimate and Unfunded Military Personnel Services, CFY Estimate will be reported to the nearest thousand. \*

(b) Footnote 2: Space Costs funded by DA. Amounts are reported to the nearest dollar.

(c) Footnote 3: (Rescinded)

\* (d) Footnote 4: Value engineering costs incurred after 1 March 1969 will be reported as positive amounts to the nearest dollar. The amount reported in Field ID 105, Undistributed Balance, to Date, on the 4th quarter submission, is the amount reported in Field ID 101, Undistributed Balance, Start of FY on the submission in the next fiscal year.

(e) Footnote 5: Accounts Maintained Under the Corps-wide 5.5% S&A Rate Procedure. Amounts are reported to the nearest dollar.

(f) Footnote 6: Memo Accounts for Unfunded Military Personnel Services. Amounts are reported to the nearest dollar except Field ID 109, CFY Estimate will be reported to the nearest thousand.

(g) Footnote 7: Accounts Maintained Under the Corps-wide 7.5% S&A Rate Procedure. Amounts are reported to nearest dollar. \*

f. Prior Year Adjustments. Significant adjustments of prior year costs (debits and credits) which would distort costs of the current fiscal year will not be included in costs reported for the current fiscal year. In no instance will a minus amount be reported; however, significant adjustments will be reported by footnote and fully explained; footnotes will be cross-referenced to specific lines and items involved. For this purpose adjustments will be considered significant if the cumulative effect thereof during the fiscal year

ER 37-345-10  
Change 40  
30 Jun 86

causes a deviation of 5 percent, or more, from the estimated total cost programmed for the current year for the applicable cost element of the report line item.

g. Reporting for Projects Transferred Between Districts.

(1) The current fiscal year costs applicable to projects or parts of projects transferred between districts should be reported on ENG Form 3018c by the district which incurred the costs. The transferring district should report costs incurred to date of transfer. The transferee district should report costs incurred subsequent to the date of transfer.

(2) The transferor and transferee districts will adjust current working estimates as necessary to conform with the transfer and will explain the adjustments by footnote on applicable ENG Form 3018c.

\* 8-14 Supervision and Administration (S&A) Cost Limitations. Supervision and Administration costs will be controlled by the establishment of fiscal year fixed dollar limitations. The monthly information furnished to DAEN-RMF-C in accordance with paragraph 7-13h is utilized to monitor placement, income and costs. Expenses should not exceed the S&A cost limits established without prior approval. In order to keep assigned S&A cost limits on an up-to-date basis, the following procedure will apply:

(1) In order that an appropriate reduction can be made in the S&A limits, submit to CDR USAGE (DAEN-ECC-C), WASH DC 20314-1000, your current work placement estimate whenever it varies by as much as 4% below the OCE estimate on which the S&A cost limits were based.

(2) In order that an appropriate increase can be made in the S&A limits, submit to CDR USAGE (DAEN-ECC-C), WASH DC 20314-1000, your current work placement estimate with justification for increased S&A cost limitation if such is needed by reason of increased work placement estimates or other causes.

d. (Rescinded. )

8-15 Report to Internal Revenue Service - Rent Payments. In accordance with provisions of 26 USCA 6041(a) and para 1.6041-1(g) of Federal Tax Regulations, the Internal Revenue Service will be informed of rent payments to landlords amounting to \$600 or more in a calendar year. Such information will be shown on TD Forms 1096 and 1099 and transmitted each year to the Internal Revenue Service on or before 28 February following the year reported in accordance with para 1.6041-6 of the Federal Tax Regulation. TD Forms 1096 and 1099 may be obtained from local IRS office.

\* 8-16. Charges Related to Military Construction Execution (RCS: DD M(A) 1206). The annual Military Construction Authorization Act requires a report to Congress by the Secretaries of the Military Departments showing the cost of design, supervision and administration of construction on military construction projects (line items) in the United States, its possessions and Panama. The reports include data on projects in MCA, MCAF, MCON, Military Construction for DOD Agencies and Family Housing new construction appropriations. Excluded from the report are projects funded as PEMA, RDTE, Emergent Minor Military Construction, Family Housing Improvements, Reserve, National Guard, O&M, nonappropriated and all non-defense funds. Where construction is performed under automatic reimbursement procedures, the appropriation under which the project was authorized will determine whether it will be included in the report. Huntsville Division will report all CONUS costs for the Safeguard program.

a. Feeder information will be furnished OCE by District and Division Engineers in accordance with the following instructions:

(1) Separate reports will be submitted for each sponsoring department or agency. The sponsors are:

(a) Army

(b) Air Force

(c) Navy

(d) DOD separate agencies such as Defense Nuclear Agency (DNA), National Security Agency (NSA), Defense Mapping Agency (DMA), etc. (Separate report for each, as required.)

(2) The report will include data on all projects, as defined above, which were financially completed during the fiscal year in the manner prescribed by Illustration 8/3. The report for each sponsor will consist of two parts where necessary, i. e., Part A, Military Construction, Other Than Family Housing, and Part B, Family Housing Construction. Financial completion will be determined in accordance with paragraph 8-9 of this regulation. District Engineers will assure that costs reported include all costs applicable to the project, except Real Estate costs. Particular attention must be given to this aspect of the report where projects have been transferred between districts.

ER 37-345-10  
Change 38  
29 Mar 85

(3) The footnote data on ENG Form 3018c required by paragraph 8-13d(10) and (11) will be used by OCE in conjunction with workload data to statistically apply Division office functional and unfunded Military Personal Services and space costs to RCS: DD-M(A)1206.

\* (4) Preparation and submission of this report on an annual basis is no longer required. This report will only be prepared and submitted upon specific direction of HQUSACE (DAEN-RMF-C). Field operating activities will be advised of submission requirements in sufficient time to meet established due dates. \*

FISCAL YEAR COST-BUDGET SUMMARY--MILITARY ACTIVITIES (REPORT AMOUNTS COLUMNS 1 THROUGH 11 TO THE NEAREST DOLLAR)											NO. Chief of Engineers ATTN: ER0BC-PC Department of the Army Washington, D. C. 20315		DIVISION SPECIMEN		DISTRICT SPECIMEN		QUARTER ENDING SPECIMEN		REPORTS CONTROL SYMBOL ENGEC-7-4 (R 1)	
ITEM NO.	DESCRIPTION	CONSTRUCTION AND MISCELLANEOUS ACTIVITY COSTS						COSTS NOT INCLUDED IN OVERHEAD BASE				TOTAL COSTS C. F. Y. (Col. 5 + 10)	ESTIMATED COSTS OF CONSTRUCTION (Thou \$)	ESTIMATED COST (in Thousands of Dollars)						
		DIRECT COSTS	OTHER		S&A OF OVERHEAD DISTRIBUTED	TOTAL	OVERHEAD % 4-X (HL) + 3	REAL ESTATE PAYMENTS	MILITARY SUPPLIES AND EQUIPMENT PROCUREMENT	ALL OTHER	TOTAL			CURRENT FISCAL YEAR 10			NEXT FISCAL YEAR			
			CONTRACT	WAGE LABOR										TOTAL	REAL ESTATE PAYMENTS	ALL OTHER NOT SUBJECT TO OVERHEAD	TOTAL	REAL ESTATE PAYMENTS	ALL OTHER NOT SUBJECT TO OVERHEAD	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)			
<b>MILITARY ACTIVITIES EXCLUDING WORK FOR OTHER CE ESTABLISHMENTS</b>																				
1100000	MILITARY CONSTRUCTION																			
1100000	CONSTRUCTION SUBJECT TO UNIFORM S&A RATE																			
1101000	DIRECT FUNDED WORK																			
11011-0	ARMY																			
11011A0	MCA-EXCEPT SENTINEL PROGRAM																			
11011A1	By Reporting Organization	CONT 8,000,000 HL 7,000 TOTAL 8,007,000	X X X	X X X	464,000 406 464,406	8,464,000 7,406 8,471,406	X X X	200,000 X 200,000	150,000 - 150,000	10,000 - 10,000	360,000 - 360,000	8,824,000 7,406 8,831,406	X X X	22,500 25 22,525	(410) X (410)	(300) - (300)	19,500 10 19,510	(300) X (300)	(100) - (100)	
11011A2	By Other CE Establishments	CONT 50,000 HL - TOTAL 50,000	X X X	X X X	2,900 - 2,900	52,900 - 52,900	X X X	- X -	- - -	- - -	- - -	52,900 - 52,900	X X X	110 - 110	- X -	- - -	50 - 50	- X -	- - -	
11011E0	ADT&E-ARMY																			
11011E2	By Other CE Establishments	CONT 1,500,000 HL - TOTAL 1,500,000	X X X	X X X	87,000 - 87,000	1,587,000 - 1,587,000	X X X	- X -	- - -	- - -	- - -	1,587,000 - 1,587,000	X X X	3,250 - 3,250	- X -	- - -	15,200 - 15,200	- X -	- - -	
List Other Applicable Direct Funded Army Programs and Activities as Set Forth in APP 8-1.																				
11012-0	AIR FORCE																			
11012A0	MCAF-EXCEPT MISSILE PROGRAM																			
11012A1	By Reporting Organization	CONT 5,000,000 HL - TOTAL 5,000,000	X X X	X X X	290,000 - 290,000	5,290,000 - 5,290,000	X X X	100,000 X 100,000	50,000 - 50,000	5,000 - 5,000	155,000 - 155,000	5,445,000 - 5,445,000	X X X	11,500 - 11,500	(225) X (225)	(100) - (100)	13,200 - 13,200	(300) X (300)	(50) - (50)	
List Other Applicable Direct Funded Air Force or Other Programs & Activities Set Forth in APP 8-1.																				
1102000	REIMBURSABLE WORK, MCA P6700																			
11021-0	ARMY																			
11021J0	PEMA																			
11021J1	By Reporting Organization	CONT 2,000,000 HL - TOTAL 2,000,000	X X X	X X X	116,000 - 116,000	2,116,000 - 2,116,000	X X X	- X -	- - -	- - -	- - -	2,116,000 - 2,116,000	X X X	5,000 - 5,000	- X -	- - -	4,500 - 4,500	- X -	- - -	
List Other Applicable Reimbursable Programs Set Forth in APP 8-1.																				
<b>TOTAL CONSTRUCTION SUBJECT TO UNIFORM S&amp;A RATE</b>																				
By Reporting Organization																				
		CONT 15,000,000 HL 7,000 TOTAL 15,007,000	X X X	X X X	870,000 406 870,406	15,870,000 7,406 15,877,406	X X X	300,000 X 300,000	200,000 - 200,000	15,000 - 15,000	515,000 - 515,000	16,385,000 7,406 16,392,406	X X X	39,000 25 39,025	(635) X (635)	(400) - (400)	37,200 10 37,210	(600) X (600)	(150) - (150)	
By Other CE Establishments																				
		CONT 1,550,000 HL - TOTAL 1,550,000	X X X	X X X	89,900 - 89,900	1,639,900 - 1,639,900	X X X	- X -	- - -	- - -	- - -	1,639,900 - 1,639,900	X X X	3,360 - 3,360	- X -	- - -	15,250 - 15,250	- X -	- - -	
* 1100009	GRAND TOTAL	CONT 16,550,000 HL 7,000 TOTAL 16,557,000	X X X	X X X	959,900 406 960,306	17,509,900 7,406 17,517,306	X X X	300,000 X 300,000	200,000 - 200,000	15,000 - 15,000	515,000 - 515,000	18,024,900 7,406 18,032,306	X X X	42,360 25 42,385	(635) X (635)	(400) - (400)	52,450 10 52,460	(600) X (600)	(150) - (150)	

FISCAL YEAR COST-BUDGET SUMMARY-MILITARY ACTIVITIES (REPORT AMOUNTS COLUMNS 1 THROUGH 11 TO THE NEAREST DOLLAR) (ER 37-345-10)											NOTE: "X" IN A COLUMN INDICATES THAT THE HEADING IS NOT APPLICABLE TO THAT LINE ITEM.	TO: HDDA (DAB-REF-C) WASH DC 20314	DIVISION SPECIMEN	DISTRICT SPECIMEN	QUARTER ENDING SPECIMEN	REQUIREMENTS CONTROL SYMBOL DAB-REF-0104			
ITEM NO.	DESCRIPTION	CONSTRUCTION AND MISCELLANEOUS ACTIVITY COSTS						COSTS NOT INCLUDED IN OVERHEAD BASE				TOTAL COSTS C. F. Y. (Col. 5 + 10)	ESTIMATED COSTS OF CONSTRUCTION (Thou \$)	ESTIMATED COST (in Thousands of Dollars)					
		DIRECT COSTS (1)	OTHER		S&A OF OVERHEAD DISTRIBUTED (4)	TOTAL (5)	OVERHEAD % 4-X 1(HL)+3 (6)	REAL ESTATE PAYMENTS (7)	MILITARY SUPPLIES AND EQUIPMENT PROCUREMENT (8)	ALL OTHER (9)	TOTAL (10)			CURRENT FISCAL YEAR 19			NEXT FISCAL YEAR		
			CONTRACT (2)	HIRE LABOR (3)										TOTAL (13)	REAL ESTATE PAYMENTS (14)	ALL OTHER NOT SUBJECT TO OVERHEAD (15)	TOTAL (16)	REAL ESTATE PAYMENTS (17)	ALL OTHER NOT SUBJECT TO OVERHEAD (18)
1200000	CONSTRUCTION EXEMPT FROM UNIFORM S&A RATE																		
1201000	DIRECT FUNDED WORK																		
12011-0	ARMY																		
1201100	FAMILY HOUSING ARMY - EXCEPT REHAB																		
1201101	By Reporting Organization	CONT	10,000	-	275	71	10,346	25.8	-	-	-	10,346	X	25	-	-	31	-	-
		HL	-	-	-	-	-	-	X	-	-	-	X	-	X	-	-	X	-
		TOTAL	10,000	-	275	71	10,346	25.8	-	-	-	10,346	X	25	-	-	31	-	-
	List Other Applicable Programs as for Item 1100000, above.																		
1202000	REIMBURSABLE WORK - MCA P6700																		
12026-0	OTHER GOVERNMENT AGENCIES																		
1202600	NASA - EXCEPT RE ACQ & ADMIN																		
1202601	By Reporting Organization	CONT	3,500,250	60,150	52,340	36,384	3,649,124	69.5	X	-	-	3,649,124	X	7,500	X	(10)	6,200	X	-
		HL	25,000	-	268	7,252	32,520	28.7	X	-	-	32,520	X	52	X	-	-	X	-
		TOTAL	3,525,250	60,150	52,608	43,636	3,681,644	56.2	X	-	-	3,681,644	X	7,552	X	(10)	6,200	X	-
1202600	PUBLIC HEALTH SERVICE																		
1202601	By Reporting Organization	CONT	X	-	34,000	8,750	42,750	25.7	-	-	-	42,750	X	57	-	-	-	-	-
		HL	X	-	-	-	-	-	-	-	-	X	-	X	-	-	-	X	-
		TOTAL	X	-	34,000	8,750	42,750	25.7	-	-	-	42,750	X	57	-	-	-	-	-
1204000	CONTRACT PAID BY OTHERS																		
12046-0	OTHER GOVERNMENT AGENCIES																		
1204600	PUBLIC HEALTH SERVICE																		
1204601	By Reporting Organization	CONT	750,000	X	X	X	750,000	X	-	-	-	750,000	X	1,000	-	-	-	-	-
		HL	-	X	X	X	-	X	-	-	-	-	X	-	X	-	-	X	-
		TOTAL	750,000	X	X	X	750,000	X	-	-	-	750,000	X	1,000	-	-	-	-	-
	List Other Applicable Programs as for Item 1100000, above.																		
	TOTAL CONSTRUCTION EXEMPT FROM UNIFORM S&A RATE By Reporting Organization (and Total)	CONT	4,260,250	60,150	86,615	45,205	4,452,220	52.2	-	-	-	4,452,220	X	7,525	-	(10)	6,231	-	-
		HL	25,000	-	268	7,252	32,520	28.7	X	-	-	32,520	X	52	X	-	-	X	-
		TOTAL	4,285,250	60,150	86,883	52,457	4,484,740	46.9	-	-	-	4,484,740	X	7,577	-	(10)	6,231	-	-
1200009	TOTAL MILITARY CONSTRUCTION By Reporting Organization	CONT	19,260,250	60,150	86,615	915,205	20,322,220	X	300,000	200,000	15,000	515,000	20,837,220	X	46,525	(635)	(400)	43,431	(600)
		HL	32,000	X	268	7,658	39,926	X	X	-	-	39,926	X	77	-	-	-	10	X
		TOTAL	19,292,250	60,150	86,883	922,863	20,362,146	X	300,000	200,000	15,000	515,000	20,877,146	X	46,602	(635)	(400)	43,441	(600)
	By Other CE Establishments	CONT	1,550,000	-	-	89,900	1,639,900	X	-	-	-	1,639,900	X	3,360	-	-	15,250	-	-
		HL	-	-	-	-	-	X	X	-	-	-	X	-	X	-	-	X	-
		TOTAL	1,550,000	-	-	89,900	1,639,900	X	-	-	-	1,639,900	X	3,360	-	-	15,250	-	-
1000009	GRAND TOTAL MILITARY CONSTRUCTION	CONT	20,810,250	60,150	86,615	1,005,105	21,962,120	X	300,000	200,000	15,000	515,000	22,477,120	X	49,885	(635)	(400)	58,681	(600)
		HL	32,000	-	268	7,658	39,926	X	X	-	-	39,926	X	77	X	-	-	10	X
		TOTAL	20,842,250	60,150	86,883	1,012,763	22,002,046	X	300,000	200,000	15,000	515,000	22,517,046	X	49,962	(635)	(400)	58,691	(600)
	FOOTNOTES:																		
	(5) ACCOUNTS MAINTAINED UNDER THE UNIFORM S&A RATE PROCEDURE:																		
	(5) ACCOUNTS MAINTAINED UNDER THE UNIFORM S&A RATE PROCEDURE (CONTINUED):																		
	(6) MEMO ACCOUNTS FOR UNFUNDED MILITARY PERSONNEL SERVICES:																		
	The following notes are for guidance only, need not be shown on reports:																		
	(1) Applicable to Contract Work shown in Item 1100000, and 4100000.																		
	(2) Applicable to Hire Labor Work shown in Item 1100000, and 4100000.																		
	(3) Exclude amount shown for "By Other CE Establishments", Column 4, Item 1100000.																		
	Actual S&A Account No.	Contract (1)	Hired Labor (2)	Totals															
	465.802.1, 466.802.1	30,500	-	30,500															
	465.802.211, 466.802.211	7,550	-	7,550															
	465.802.212, 466.802.212	676,075	235	676,310															
	465.802.2211, 466.802.2211	1,165	-	1,165															
	465.802.2212, 466.802.2212	950	-	950															
	465.802.222, 466.802.222	49,605	115	49,720															
	465.802.23, 466.802.23 (Review of Shop Drawings)	-	-	-															
	465.802.23, 466.802.23 (Other)	1,550	-	1,550															
	465.802.3, 466.802.3	(-) 5,000	X	(-) 5,000															
	465.804.2, 466.804.2	189,381	1,890	191,271															
	Totals	951,776	2,240	954,016															
	Charged Off:																		
	465.806, 466.806 S&A Distribution - CR			967,585 (3)															
	Balance (Reporting Organization) DR or CR (-)			(-) 13,569															
	Field ID	Acct No	Amount																
	101	902.21	7,500																
	102	902.22	1,250																
	103	904.1	600																
	104	904.22	1,200																
	105	904.3	700																
	106	905.1	2,300																
	107	905.2	-																
	108	TOTAL	13,750																
	109	CFY ESTIMATE	30																

FISCAL YEAR COST-BUDGET SUMMARY - MILITARY ACTIVITIES (REPORT AMOUNTS COLUMNS 1 THROUGH 11 TO THE NEAREST DOLLAR) (ER 37-345-10)										NOTE: "X" IN A COLUMN INDICATES THAT THE HEADING IS NOT APPLICABLE TO THAT LINE ITEM.	TO: HQDA (DAEN-RMF-C) WASH DC 20314	DIVISION SPECIMEN	DISTRICT SPECIMEN	QUARTER ENDING SPECIMEN	REQUIREMENTS CONTROL SYMBOL DAEN-RMF-0004				
ITEM NO.	DESCRIPTION	CONSTRUCTION AND MISCELLANEOUS ACTIVITY COSTS					COSTS NOT INCLUDED IN OVERHEAD BASE				TOTAL COSTS C. F. Y. (Col. 5+10)	ESTIMATED COSTS OF CONSTRUCTION (Thou \$)	ESTIMATED COST (in Thousands of Dollars)						
		DIRECT COSTS	OTHER		S & A of OVERHEAD DISTRIBUTED	TOTAL	OVERHEAD % 4 ÷ X 1(HL) + 3	REAL ESTATE PAYMENTS	MILITARY SUPPLIES AND EQUIPMENT PROCUREMENT	ALL OTHER			TOTAL	CURRENT FISCAL YEAR 19			NEXT FISCAL YEAR		
			CONTRACT	WAGED LABOR										TOTAL	TOTAL	REAL ESTATE PAYMENTS	ALL OTHER NOT SUBJECT TO OVERHEAD	TOTAL	REAL ESTATE PAYMENTS
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)		
2000000	ENGINEERING AND DESIGN																		
2300000	E&D SUBJECT TO DESIGN LIMIT																		
2310000	E&D RELATABLE TO CONSTRUCTION																		
2311000	DIRECT FUNDED WORK																		
23111-0	ARMY																		
23111J0	PEMA																		
23111J1	By Reporting Organization	CONT	X	72,500	-	-	72,500	-	X	X	X	72,500	1,250	135	X	X	100	X	X
		HL	X	-	-	-	-	-	X	X	X	-	-	-	X	X	-	X	X
		TOTAL	X	72,500	-	-	72,500	-	X	X	X	72,500	1,250	135	X	X	100	X	X
23111K0	O&MA - PEMA PRELIMINARY DESIGN																		
23111K2	By Other CE Establishments	CONT	X	-	8,185	X	8,185	X	X	X	X	8,185	155	15	X	X	12	X	X
		HL	X	-	71,286	X	71,286	X	X	X	X	71,286	1,290	90	X	X	150	X	X
		TOTAL	X	-	79,471	X	79,471	X	X	X	X	79,471	1,445	105	X	X	162	X	X
	List Other Applicable Programs as for Item 1100000, above.																		
2312000	REIMBURSABLE WORK, MCA P6700																		
23121-0	ARMY																		
23121Y0	NON APPROPRIATED FUNDS - ARMY																		
23121Y1	By Reporting Organization	CONT	X	1,600	-	-	1,600	-	X	X	X	1,600	23	5	X	X	-	X	X
		HL	X	-	3,560	956	4,516	26.9	X	X	X	4,516	65	7	X	X	-	X	X
		TOTAL	X	1,600	3,560	956	6,116	26.9	X	X	X	6,116	88	12	X	X	-	X	X
23126-0	OTHER GOVERNMENT AGENCIES																		
23126E0	NASA - EXCEPT RE ACQN & ADMIN																		
23126E1	By Reporting Organization	CONT	X	237,500	19,850	7,122	264,472	35.9	X	X	X	264,472	5,275	450	X	X	250	X	X
		HL	X	-	196,700	56,453	253,153	28.7	X	X	X	253,153	5,076	375	X	X	100	X	X
		TOTAL	X	237,500	216,550	63,575	517,625	29.3	X	X	X	517,625	10,351	825	X	X	350	X	X
23127-0	FOREIGN GOVERNMENTS																		
23127M0	SAUDI ARABIA																		
23127B1	By Reporting Organization	CONT	X	104,100	2,575	693	107,368	26.9	X	X	X	107,368	1,789	665	X	X	250	X	X
		HL	X	-	212,750	57,230	269,980	26.9	X	X	X	269,980	4,500	570	X	X	940	X	X
		TOTAL	X	104,100	215,325	57,923	377,348	26.9	X	X	X	377,348	6,289	1,235	X	X	1,190	X	X
	List Other Applicable Programs as for Item 1100000, above.																		
	TOTAL E&D RELATABLE TO CONSTR																		
	By Reporting Organization	CONT	X	415,700	22,425	7,815	445,940	34.8	X	X	X	445,940	8,337	1,255	X	X	600	X	X
		HL	X	-	413,010	114,639	527,649	27.8	X	X	X	527,649	9,641	952	X	X	1,040	X	X
		TOTAL	X	415,700	435,435	122,454	973,589	28.1	X	X	X	973,589	17,978	2,207	X	X	1,640	X	X
	By Other CE Establishments	CONT	X	-	8,185	X	8,185	X	X	X	X	8,185	155	15	X	X	12	X	X
		HL	X	-	71,286	X	71,286	X	X	X	X	71,286	1,290	90	X	X	150	X	X
		TOTAL	X	-	79,471	X	79,471	X	X	X	X	79,471	1,445	105	X	X	162	X	X
2310009	GRAND TOTAL	CONT	X	415,700	30,610	7,815	454,125	25.5	X	X	X	454,125	8,462	1,270	X	X	612	X	X
		HL	X	-	484,296	114,639	598,935	23.7	X	X	X	598,935	10,931	1,042	X	X	1,190	X	X
		TOTAL	X	415,700	514,906	122,454	1,053,060	23.8	X	X	X	1,053,060	19,423	2,312	X	X	1,802	X	X
2320000	LOST DESIGN EFFORT																		
2321000	DIRECT FUNDED WORK																		
23211-0	ARMY																		
23211A0	MCA																		
23211A1	By Reporting Organization	CONT	X	19,725	900	240	20,865	26.7	X	X	X	20,865	200	21	X	X	-	X	X
		HL	X	-	-	-	-	-	X	X	X	-	-	-	X	X	-	X	X
		TOTAL	X	19,725	900	240	20,865	26.7	X	X	X	20,865	200	21	X	X	-	X	X
	List Other Applicable Programs as for Item 1100000, above.																		

FISCAL YEAR COST-BUDGET SUMMARY-MILITARY ACTIVITIES (REPORT AMOUNTS COLUMNS 1 THROUGH 11 TO THE NEAREST DOLLAR) (ER 37-345-10)							NOTE: "X" IN A COLUMN INDICATES THAT THE HEADING IS NOT APPLICABLE TO THAT LINE ITEM.		TO: HQDA (DAEN-RMF-C) WASH DC 20314		DIVISION SPECIMEN		DISTRICT SPECIMEN		QUARTER ENDING SPECIMEN		REQUIREMENTS CONTROL SYMBOL DAEN-RMF-6(R4)			
ITEM NO.	DESCRIPTION	CONSTRUCTION AND MISCELLANEOUS ACTIVITY COSTS					COSTS NOT INCLUDED IN OVERHEAD BASE				TOTAL COSTS C.F.Y. (Col. 5 + 10)	ESTIMATED COSTS OF CONSTRUCTION (Thou \$)	ESTIMATED COST (in Thousands of Dollars)							
		DIRECT COSTS	OTHER		S & A of OVERHEAD DISTRIBUTED	TOTAL	OVERHEAD % 4 ÷ X 1(HL) + 3	REAL ESTATE PAYMENTS	MILITARY SUPPLIES AND EQUIPMENT PROCUREMENT	ALL OTHER			TOTAL	CURRENT FISCAL YEAR 19			NEXT FISCAL YEAR			
			CONTRACT	HMED LABOR										TOTAL	REAL ESTATE PAYMENTS	ALL OTHER SUBJECT TO OVERHEAD	TOTAL	REAL ESTATE PAYMENTS	ALL OTHER SUBJECT TO OVERHEAD	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)			
2322000	REIMBURSABLE WORK, MCA P6700																			
	List Applicable Programs as for Item 1100000, above.																			
	TOTAL LOST DESIGN EFFORT																			
	By Reporting Organization (and Total)	CONT	X	19,725	900	240	20,865	26.7	X	X	X	X	20,865	200	21	X	X	-	X	X
		HL	X	-	-	-	-	-	X	X	X	X	-	-	-	X	X	-	X	X
2320009	TOTAL	TOTAL	X	19,725	900	240	20,865	26.7	X	X	X	X	20,865	200	21	X	X	-	X	X
2330000	DELETED LINE ITEM DESIGN EFFORT																			
2331000	DIRECT FUNDED WORK																			
23311-0	ARMY																			
23311A0	MCA																			
23311A1	By Reporting Organization	CONT	X	-	-	-	-	-	X	X	X	X	-	-	-	X	X	-	X	X
		HL	X	-	15,000	4,035	19,035	26.9	X	X	X	X	19,035	635	19	X	X	-	X	X
	TOTAL	TOTAL	X	-	15,000	4,035	19,035	26.9	X	X	X	X	19,035	635	19	X	X	-	X	X
	List Other Applicable Programs as for Item 1100000, above.																			
	TOTAL DELETED LINE ITEM DESIGN EFFORT																			
	By Reporting Organization (and Total)	CONT	X	-	-	-	-	-	X	X	X	X	-	-	-	X	X	-	X	X
		HL	X	-	15,000	4,035	19,035	26.9	X	X	X	X	19,035	635	19	X	X	-	X	X
2330009	TOTAL	TOTAL	X	-	15,000	4,035	19,035	26.9	X	X	X	X	19,035	635	19	X	X	-	X	X
	TOTAL E&D SUBJECT TO DESIGN LIMIT																			
	By Reporting Organization	CONT	X	435,425	23,325	8,055	466,805	34.5	X	X	X	X	466,805	8,537	1,276	X	X	-	X	X
		HL	X	-	428,010	118,674	546,684	27.7	X	X	X	X	546,684	10,276	971	X	X	-	X	X
	TOTAL	TOTAL	X	435,425	451,335	126,729	1,013,489	28.1	X	X	X	X	1,013,489	18,813	2,247	X	X	-	X	X
	By Other CE Establishments	CONT	X	-	8,185	X	8,185	X	X	X	X	X	8,185	155	15	X	X	-	X	X
		HL	X	-	71,286	X	71,286	X	X	X	X	X	71,286	1,290	90	X	X	-	X	X
	TOTAL	TOTAL	X	-	79,471	X	79,471	X	X	X	X	X	79,471	1,445	105	X	X	-	X	X
2300009	GRAND TOTAL	CONT	X	435,425	31,510	8,055	474,990	25.6	X	X	X	X	474,990	8,692	1,291	X	X	-	X	X
		HL	X	X	499,296	118,674	617,970	23.8	X	X	X	X	617,970	11,566	1,061	X	X	-	X	X
	TOTAL	TOTAL	X	435,425	530,806	126,729	1,092,960	23.9	X	X	X	X	1,092,960	20,258	2,352	X	X	-	X	X
2400000	E&D EXEMPT FROM DESIGN LIMIT																			
2410000	E&D RELATABLE TO CONSTRUCTION																			
2411000	DIRECT FUNDED WORK																			
	List Applicable Programs as for Item 1100000, above.																			
2412000	REIMBURSABLE WORK, MCA P6700																			
24121-0	ARMY																			
24121E0	RDT&E - ARMY																			
24121E1	By Reporting Organization	CONT	X	-	-	-	-	-	X	X	X	X	-	-	-	X	X	-	X	X
		HL	X	-	2,100	565	2,665	26.9	X	X	X	X	2,665	56	5	X	X	-	X	X
	TOTAL	TOTAL	X	-	2,100	565	2,665	26.9	X	X	X	X	2,665	56	5	X	X	-	X	X
	List Other Applicable Programs as for Item 1100000, above.																			
	TOTAL E&D RELATABLE TO CONSTRUCTION																			
	By Reporting Organization (and Total)	CONT	X	-	-	-	-	-	X	X	X	X	-	-	-	X	X	-	X	X
		HL	X	-	2,100	565	2,665	26.9	X	X	X	X	2,665	56	5	X	X	-	X	X
	TOTAL	TOTAL	X	-	2,100	565	2,665	26.9	X	X	X	X	2,665	56	5	X	X	-	X	X
2420000	LOST DESIGN EFFORT																			
	List in same manner as for Item 2320000, above.																			
2430000	DELETED LINE ITEM DESIGN																			
	List in same manner as for Item 2330000, above.																			

FISCAL YEAR COST-BUDGET SUMMARY-MILITARY ACTIVITIES											TO: HODA (DAEM-RMF-C) WASH DC 20314		DIVISION SPECIMEN		DISTRICT SPECIMEN		QUARTER ENDING SPECIMEN		REQUIREMENTS CONTROL SYMBOL DAEM-RMF-020	
(REPORT AMOUNTS COLUMNS 1 THROUGH 11 TO THE NEAREST DOLLAR)																				
ITEM NO.	DESCRIPTION	CONSTRUCTION AND MISCELLANEOUS ACTIVITY COSTS					COSTS NOT INCLUDED IN OVERHEAD BASE					TOTAL COSTS C.F.Y. (Col. 5+10)	ESTIMATED COSTS OF CONSTRUCTION (Thou \$)	ESTIMATED COST (in Thousands of Dollars)						
		DIRECT COSTS	OTHER		S & A or OVERHEAD DISTRIBUTED	TOTAL	OVERHEAD % (4)/(5) * 3	REAL ESTATE PAYMENTS	MILITARY SUPPLIES AND EQUIPMENT PROCUREMENT	ALL OTHER	TOTAL			CURRENT FISCAL YEAR 19			NEXT FISCAL YEAR			
			CONTRACT	HIRED LABOR										TOTAL	TOTAL	REAL ESTATE PAYMENTS	ALL OTHER NOT SUBJECT TO OVERHEAD	TOTAL	REAL ESTATE PAYMENTS	ALL OTHER NOT SUBJECT TO OVERHEAD
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)			
2440000	E&D NOT RELATABLE TO CONSTRUCTION																			
2441000	DIRECT FUNDED WORK																			
	List Applicable Programs as for Item 1100000, above.																			
2442000	REIMBURSABLE WORK, MCA P6700																			
	List Applicable Programs as for Item 1100000, above.																			
	TOTAL E&D NOT RELATABLE TO CONSTRUCTION																			
	By Reporting Organization (and Total)	CONT	X	-	-	-	-	X	X	X	X	-	X	-	X	X	-	X		
		HL	X	-	-	-	-	X	X	X	X	-	X	-	X	X	-	X		
		TOTAL	X	-	-	-	-	X	X	X	X	-	X	-	X	X	-	X		
	By Other CE Establishments (If Applicable)	CONT	X	-	-	X	-	X	X	X	X	-	X	-	X	X	-	X		
		HL	X	-	-	X	-	X	X	X	X	-	X	-	X	X	-	X		
		TOTAL	X	-	-	X	-	X	X	X	X	-	X	-	X	X	-	X		
2440009	GRAND TOTAL (If work done by both Reporting Org and Other CE Estab)	CONT	X	-	-	-	-	X	X	X	X	-	X	-	X	X	-	X		
		HL	X	-	-	-	-	X	X	X	X	-	X	-	X	X	-	X		
		TOTAL	X	-	-	-	-	X	X	X	X	-	X	-	X	X	-	X		
2400009	TOTAL E&D EXEMPT FROM DESIGN LIMIT																			
	By Reporting Organization (and Total)	CONT	X	-	-	-	-	X	X	X	X	-	-	-	X	X	-	X		
		HL	X	-	2,100	565	2,665	26.9	X	X	X	2,665	56	5	X	X	-	X		
		TOTAL	X	-	2,100	565	2,665	26.9	X	X	X	2,665	56	5	X	X	-	X		
	TOTAL ENGINEERING AND DESIGN																			
	By Reporting Organization	CONT	X	435,425	23,325	8,055	466,805	34.5	X	X	X	466,805	8,537	1,276	X	X	600	X		
		HL	X	-	430,110	119,239	549,349	27.7	X	X	X	549,349	10,332	976	X	X	1,040	X		
		TOTAL	X	435,425	453,435	127,294	1,016,154	28.1	X	X	X	1,016,154	18,869	2,252	X	X	1,640	X		
	By Other CE Establishments	CONT	X	-	8,185	X	8,185	X	X	X	X	8,185	155	15	X	X	12	X		
		HL	X	-	71,286	X	71,286	X	X	X	X	71,286	1,290	90	X	X	150	X		
		TOTAL	X	-	79,471	X	79,471	X	X	X	X	79,471	1,445	105	X	X	162	X		
2000009	GRAND TOTAL	CONT	X	435,425	31,510	8,055	474,990	25.6	X	X	X	474,990	8,692	1,291	X	X	612	X		
		HL	X	-	501,396	119,239	620,635	23.8	X	X	X	620,635	11,622	1,066	X	X	1,190	X		
		TOTAL	X	435,425	532,906	127,294	1,095,625	23.9	X	X	X	1,095,625	20,314	2,357	X	X	1,802	X		
3000000	MISCELLANEOUS ACTIVITIES																			
3001000	DIRECT FUNDED WORK																			
30011-0	ARMY																			
30011L0	O&MA-Real Estate Admin																			
30011L1	By Reporting Organization	CONT	22,450	-	-	-	22,450	-	96,500	X	X	118,950	X	455	(425)	X	460	(450)		
		HL	215,230	-	-	61,341	276,571	28.5	X	X	X	276,571	X	625	X	X	510	X		
		TOTAL	237,680	-	-	61,341	299,021	28.5	96,500	X	X	395,521	X	1,080	(425)	X	970	(450)		
30011M0	O&MA-All Other																			
30011M1	By Reporting Organization	CONT	13,430	-	-	-	13,430	-	X	-	-	13,430	X	25	X	-	10	X		
		HL	110,350	-	-	12,690	123,040	11.5	X	-	-	123,040	X	260	X	-	305	X		
		TOTAL	123,780	-	-	12,690	136,470	11.5	X	-	-	136,470	X	285	X	-	315	X		
	List Other Applicable Programs as for Item 1100000, above.																			
3002000	REIMBURSABLE WORK, MCA P6700																			
30026-0	OTHER GOV'T AGENCIES																			
30026A0	CIVIL DEFENSE																			
30026A1	By Reporting Organization	CONT	-	33,750	-	-	33,750	-	X	X	X	33,750	X	310	X	X	-	X		
		HL	-	-	38,720	4,453	43,173	11.5	X	X	X	43,173	X	225	X	X	260	X		
		TOTAL	-	33,750	38,720	4,453	76,923	11.5	X	X	X	76,923	X	535	X	X	260	X		

FISCAL YEAR COST-BUDGET SUMMARY-MILITARY ACTIVITIES											NSA (DA) (ECP-C) WASH DC 20314		OFFENSE		DEFENSE		QUARTER ENDING		EFFORTS CONTROL (BY FISCAL YEAR)	
ITEM NO.	DESCRIPTION	CONTRACT	CONSTRUCTION AND MISCELLANEOUS ACTIVITY COSTS					COSTS NOT INCLUDED IN OVERSEAS RATE				TOTAL COSTS C.Y. (Col. 11+12)	ESTIMATED COSTS OF CONSTRUCTION (Thous \$)	ESTIMATED COST (in Thousands of Dollars)						
			SUA OF OVERSEAS ESTABLISHMENTS	OTHER		TOTAL	OPERATING & MAINTENANCE	REAL ESTATE PAYMENTS	MILITARY SERVICES AND EQUIPMENT PROCUREMENT	ALL OTHERS	TOTAL			CURRENT FISCAL YEAR		NEXT FISCAL YEAR		ALL OTHERS SUBJECT TO OVERSEAS RATE		
				CONTRACT	OTHER									OPERATING & MAINTENANCE	REAL ESTATE PAYMENTS	OPERATING & MAINTENANCE	REAL ESTATE PAYMENTS		OPERATING & MAINTENANCE	REAL ESTATE PAYMENTS
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)			
300267C	NASA - RE ACIM & ADGIV	CONT	850	X	X	X	850	X	74,300	X	X	74,300	75,190	X	405	(400)	X	190	(190)	X
300267F	By Reporting Organization	HL	18,630	X	X	7,235	25,865	38.8	X	X	X	25,865	6.2	X	X	X	73	X	X	X
	TOTAL	TOTAL	19,480	X	X	7,235	26,715	38.8	74,300	X	X	74,300	101,015	X	467	(400)	X	173	(190)	X
	TOTAL MISCELLANEOUS ACTIVITIES	CONT	36,730	33,750	-	-	70,480	-	170,800	-	-	170,800	241,280	X	1,195	(825)	-	620	(600)	-
	By Reporting Organization (and Total)	HL	344,210	X	38,720	85,719	468,649	27.4	X	X	X	468,649	1,152	X	X	X	1,100	X	X	X
	TOTAL	TOTAL	380,940	33,750	38,720	85,719	539,129	22.4	170,800	-	-	170,800	709,929	X	2,347	(825)	-	1,720	(600)	-
	By Other CE Establishments (if Applicable)	CONT	-	-	-	-	-	-	-	-	-	-	-	X	-	-	-	-	-	-
	HL	HL	-	X	-	-	-	-	X	-	-	-	-	X	-	-	-	-	-	-
	TOTAL	TOTAL	-	X	-	-	-	-	X	-	-	-	-	X	-	-	-	-	-	-
3000000	GRAND TOTAL (If Work Done by Both Reporting Organization & Other CoE Establishments)	CONT	-	-	-	-	-	-	-	-	-	-	-	X	-	-	-	-	-	-
	HL	HL	-	X	-	-	-	-	X	-	-	-	-	X	-	-	-	-	-	-
	TOTAL	TOTAL	-	X	-	-	-	-	X	-	-	-	-	X	-	-	-	-	-	-
	TOTAL - EXCL WORK FOR OTHER CE ESTAB	CONT	18,546,980	529,325	75,940	914,510	20,066,755	X	470,800	200,000	15,000	685,800	20,752,555	X	48,998	(1,460)	(400)	44,651	(1,200)	(190)
	By Reporting Organization	HL	376,210	X	469,098	212,616	1,057,924	X	X	-	-	1,057,924	2,205	X	X	X	2,190	X	X	X
	TOTAL	TOTAL	18,923,190	529,325	545,038	1,127,126	21,124,679	X	470,800	200,000	15,000	685,800	21,810,479	X	51,203	(1,460)	(400)	46,841	(1,200)	(190)
	By Other CE Establishments	CONT	1,550,000	-	9,185	89,900	1,648,085	X	-	-	-	1,648,085	3,373	X	-	-	15,267	-	-	-
	HL	HL	-	-	71,266	-	71,266	X	X	-	-	71,266	90	X	-	-	-	-	-	-
	TOTAL	TOTAL	1,550,000	-	79,271	89,900	1,719,371	X	-	-	-	1,719,371	3,463	X	-	-	15,267	-	-	-
	GRAND TOTAL	CONT	20,096,980	529,325	84,125	1,004,410	21,714,840	X	470,800	200,000	15,000	685,800	22,400,640	X	52,371	(1,460)	(400)	59,913	(1,200)	(190)
	HL	HL	478,210	X	540,364	212,616	1,279,210	X	X	-	-	1,279,210	2,295	X	X	X	2,200	X	X	X
	TOTAL	TOTAL	20,473,190	529,325	624,809	1,217,026	22,844,050	X	470,800	200,000	15,000	685,800	23,529,830	X	54,666	(1,460)	(400)	62,213	(1,200)	(190)
4000000	WORK FOR OTHER CE ESTABLISHMENTS																			
4100000	CONSTRUCTION SUBJECT TO UNIFORM S&A RATE																			
4102000	REINBURSABLE WORK, MCA 16700																			
41021-0	ARMY																			
41021AG	MCA-EXCEPT SENTINEL PROGRAM	CONT	1,675,500	X	X	97,179	1,772,679	X	X	-	-	1,772,679	8,625	X	X	-	15,110	X	-	
41021AL	By Reporting Organization	HL	-	X	X	-	-	X	X	-	-	-	-	X	X	-	25	X	-	
	TOTAL	TOTAL	1,675,500	X	X	97,179	1,772,679	X	X	-	-	1,772,679	8,625	X	X	-	15,135	X	-	
	List Other Applicable Programs Set Forth in APP 8-1.																			
4100009	TOTAL CONSTRUCTION SUBJECT TO UNIFORM S&A RATE	CONT	1,675,500	X	X	97,179	1,772,679	X	X	-	-	1,772,679	8,625	X	X	-	15,110	X	-	
	By Reporting Organization (and Total)	HL	-	X	X	-	-	X	X	-	-	-	-	X	X	-	25	X	-	
	TOTAL	TOTAL	1,675,500	X	X	97,179	1,772,679	X	X	-	-	1,772,679	8,625	X	X	-	15,135	X	-	
4200000	CONSTRUCTION EXEMPT FROM UNIFORM S&A RATE																			
4202000	REINBURSABLE WORK, MCA 16700																			
42021-0	ARMY																			
42021TG	CE CIVIL WORKS ACTIVITIES	CONT	10,500	-	860	99	11,459	11.5	-	-	-	11,459	X	22	-	-	10	-	-	
42021TI	By Reporting Organization	HL	2,310	X	290	294	2,854	11.5	X	-	-	2,854	X	35	X	-	15	X	-	
	TOTAL	TOTAL	12,810	X	1,150	393	14,313	11.5	X	-	-	14,313	X	57	X	-	25	X	-	
	List Other Applicable Programs Set Forth in APP 8-1.																			
4200009	TOTAL CONSTRUCTION EXEMPT FROM UNIFORM S&A RATE	CONT	10,500	-	860	99	11,459	11.5	-	-	-	11,459	X	22	-	-	10	-	-	
	By Reporting Organization (and Total)	HL	2,310	X	290	294	2,854	11.5	X	-	-	2,854	X	35	X	-	15	X	-	
	TOTAL	TOTAL	12,810	X	1,150	393	14,313	11.5	X	-	-	14,313	X	57	X	-	25	X	-	

FISCAL YEAR COST-BUDGET SUMMARY—MILITARY ACTIVITIES (REPORT AMOUNTS COLUMNS 1 THROUGH 11 TO THE NEAREST DOLLAR)											DA NSDA (DAFM-ECF-C) WASH DC 20314	DIVISION SPECIFIC	DISTRICT SPECIFIC	ELEMENTS DIVISION SPECIFIC	REPORTS CONTROL SYMBOL DAFM-ECF-6(R3)				
ITEM NO.	DESCRIPTION	CONSTRUCTION AND MISCELLANEOUS ACTIVITY COSTS						COSTS NOT INCLUDED IN OVERHEAD BASE				TOTAL COSTS C.I.Y. (Col. 2 + 10)	ESTIMATED COSTS OF CONSTRUCTION (New 3)	ESTIMATED COST (In Thousands of Dollars)					
		BIDD COSTS	OTHER		SEA OF OVERHEAD INCURRED	TOTAL	OVERHEAD 4-3 (1)(L)+3	REAL BRN PATIENTS	MILITARY SUPPLIES AND EQUIPMENT PROCUREMENT	ALL OTHER	TOTAL			CURRENT FISCAL YEAR 19			NEXT FISCAL YEAR		
			CONTRACT	FIELD LABOR										TOTAL	TOTAL	TOTAL BRN PATIENTS	AMOUNT NOT SUBJECT TO OVERHEAD	TOTAL	TOTAL BRN PATIENTS
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)		
4300000	ENGINEERING AND DESIGN SUBJECT TO DESIGN LIMIT This item will not apply to Work for Others as all E&D for Other CE Establishment will be exempt from design limits of the CE Establishment performing such work.																		
4400000	ENGINEERING AND DESIGN EXEMPT FROM DESIGN LIMIT																		
4410000	E&D RELATABLE TO CONSTRUCTION																		
4411000	NOT APPLICABLE																		
4412000	REIMBURSABLE WORK MCA P6700 List Applicable Programs Set Forth in APP 8-1.																		
4413000	REIMBURSABLE WORK-OTHER CARRIER FUNDS (If Applicable) List Applicable Programs Set Forth in APP 8-1.																		
4420000	LOST DESIGN EFFORT List Applicable Programs Set Forth in APP 8-1 (See Item 4410000, above).																		
4430000	DELETED LINE ITEM DESIGN EFFORT List Applicable Programs Set Forth in APP 8-1 (See Item 4410000, above).																		
4440000	E&D NOT RELATABLE TO CONSTRUCTION List Applicable Programs Set Forth in APP 8-1 (See Item 4410000, above).																		
4400000	TOTAL E&D EXEMPT FROM DESIGN LIMIT By Reporting Organization	COMT X	-	-	-	-	-	X	X	X	X	-	X	X	X	-	X	X	
	TOTAL	X	-	-	-	-	-	X	X	X	X	-	X	X	X	-	X	X	
4500000	MISCELLANEOUS ACTIVITIES																		
4501000	NOT APPLICABLE																		
4502000	REIMBURSABLE WORK, MCA P6700 List Applicable Programs Set Forth in APP 8-1.																		
	TOTAL MISCELLANEOUS ACTIVITIES By Reporting Organization	COMT -	-	-	-	-	-	-	-	-	-	X	-	-	-	-	-	-	
	TOTAL	-	-	-	-	-	-	-	-	-	-	X	-	-	-	-	-	-	
	TOTAL WORK FOR OTHER CE ESTABLISHMENTS By Reporting Organization (and Total)	COMT 1,686,000	-	860	97,278	1,784,138	X	-	-	-	-	1,784,138	X	8,647	-	-	15,120	-	
	By Other CE Establishments	HL 2,310	-	230	294	2,834	X	X	-	-	-	2,834	X	35	X	-	60	X	
	TOTAL	1,688,310	-	1,110	97,572	1,786,972	X	-	-	-	-	1,786,972	X	8,682	-	-	15,180	-	
5000000	GRAND TOTAL - ALL ACTIVITIES By Reporting Organization	COMT 20,982,980	529,325	110,800	1,020,538	22,643,643	X	470,800	200,000	15,000	685,800	23,329,443	X	57,643	(1,460)	(400)	59,771	(1,200)	
	By Other CE Establishments	HL 378,520	-	469,368	212,910	1,060,778	X	-	-	-	-	1,060,778	X	2,260	X	-	2,190	X	
	TOTAL	21,361,500	529,325	580,168	1,233,448	23,704,421	X	470,800	200,000	15,000	685,800	24,390,221	X	59,903	(1,460)	(400)	61,961	(1,200)	
	By Other CE Establishments	COMT 1,530,000	-	8,185	89,900	1,648,085	X	-	-	-	-	1,648,085	X	3,375	-	-	15,262	-	
	By Reporting Organization	HL -	-	71,286	-	71,286	X	X	-	-	-	71,286	X	90	X	-	120	X	
	TOTAL	1,530,000	-	79,471	89,900	1,719,371	X	-	-	-	-	1,719,371	X	3,465	-	-	15,412	-	
5000000	GRAND TOTAL	COMT 22,532,980	529,325	118,985	1,110,438	24,291,728	X	470,800	200,000	15,000	685,800	24,977,528	X	61,018	(1,460)	(400)	75,033	(1,200)	
	By Other CE Establishments	HL 378,520	-	540,654	212,910	1,132,084	X	-	-	-	-	1,132,084	X	2,350	X	-	2,340	X	
	TOTAL	22,911,500	529,325	659,639	1,323,348	25,423,792	X	470,800	200,000	15,000	685,800	26,109,592	X	63,368	(1,460)	(400)	77,373	(1,200)	

FISCAL YEAR COST-BUDGET SUMMARY-MILITARY ACTIVITIES (REPORT AMOUNTS COLUMNS 1 THROUGH 11 TO THE NEAREST DOLLAR) (ER 37-345-10)												NOTE: "X" IN A COLUMN INDICATES THAT THE HEADING IS NOT APPLICABLE TO THAT LINE ITEM.	DIVISION HODA (DAEN-RMF-C) WASH DC 20314	DISTRICT SPECIMEN	QUARTER ENDING SPECIMEN	REQUIREMENTS CONTROL SYMBOL DAEN-RMF-8084			
ITEM NO.	DESCRIPTION	CONSTRUCTION AND MISCELLANEOUS ACTIVITY COSTS						COSTS NOT INCLUDED IN OVERHEAD BASE				TOTAL COSTS C. F. Y. (Col 5+10)	ESTIMATED COSTS OF CONSTRUCTION (Thru 5)	ESTIMATED COST (in Thousands of Dollars)					
		DIRECT COSTS (1)	OTHER		S&A OR OVERHEAD DISTRIBUTED (4)	TOTAL (5)	OVERHEAD % (6) (HL) * 3	REAL ESTATE PAYMENTS (7)	MILITARY SUPPLIES AND EQUIPMENT PROCUREMENT (8)	ALL OTHER (9)	TOTAL (10)			CURRENT FISCAL YEAR 10			NEXT FISCAL YEAR		
			CONTRACT (2)	FIELD LABOR (3)										TOTAL (13)	REAL ESTATE PAYMENTS (14)	ALL OTHER NOT SUBJECT TO OVERHEAD * (15)	TOTAL (16)	REAL ESTATE PAYMENTS (17)	ALL OTHER NOT SUBJECT TO OVERHEAD (18)
7000000	TOTAL LOST DESIGN EFFORT & Design Breakage																		
7300000	E&D SUBJECT TO DESIGN Target																		
7320000	Lost Design Effort																		
7321000	DIRECT FUNDED WORK																		
73211-0	ARMY																		
73211A9	MCA																		
	TOTAL	X	19,725	9,500	2,515	31,740	26.5	X	X	X	X	31,740	X	X	X	X	X	X	X
	List Other Applicable Programs Set Forth in APP 8-1.																		
7322000	REIMBURSABLE WORK, MCA P6700																		
	List Applicable Programs Set Forth in APP 8-1.																		
7320009	Total Lost Design Effort	TOTAL	X	19,725	9,500	2,515	31,740	26.5	X	X	X	31,740	X	X	X	X	X	X	X
7330000	Design Breakage																		
7331000	DIRECT FUNDED WORK																		
73311-0	ARMY																		
73311A9	MCA																		
	TOTAL			21,500	18,675	4,845	45,020	25.9	X	X	X	45,020	1,126	X	X	X	X	X	X
	List Other Applicable Programs as for Item 7320000, above.																		
7330009	Total Design Breakage	TOTAL	X	21,500	18,675	4,845	45,020	25.9	X	X	X	45,020	1,126	X	X	X	X	X	X
7300009	TOTAL E&D SUBJECT TO DESIGN Target	TOTAL	X	41,225	28,175	7,360	76,760	26.1	X	X	X	76,760	X	X	X	X	X	X	X
7400000	E&D EXEMPT FROM DESIGN Target																		
	List Applicable Programs as for Item 7300000, above.																		
7400009	TOTAL E&D EXEMPT FROM DESIGN Target		X	-	-	-	-	-	X	X	X	-	X	X	X	X	X	X	X
7000009	TOTAL LOST DESIGN EFFORT & Design Breakage	TOTAL	X	41,225	28,175	7,360	76,760	26.1	X	X	X	76,760	X	X	X	X	X	X	X
	FOOTNOTES:																		
*	(1) DIVISION OFFICE FUNCTIONAL COSTS APPLICABLE TO MILITARY ACTIVITIES, FY TO DATE:		S&A	E&D	ALL OTHERS	TOTAL													
	Gross Costs		X	X	X	1,112,054													
	LOSS: Direct Charges		X	X	X	75,230													
	NET TO O&M,A		249,924	630,061	156,839	1,036,824													
	Net to O&M,A includes EIG Field Office Expense of \$23,082																		
	Net to O&M,A, CFY Estimate \$2,000.																		
	UNFUNDED MILITARY PERSONNEL SERVICES (GL3043.0, OMA) APPLICABLE TO DIVISION OFFICE EXPENSE, FY TO DATE		21,230	6,778	2,320	30,328													
	Unfunded Military Personnel Services CFY Estimate \$100.																		
	(2) SPACE COSTS FUNDED BY DA		1,000	5,000	1,000	7,000													
	(3) (Rescinded)																		
	(4) VALUE ENGINEERING COSTS AFTER 1 MAR 69:																		
	Undistributed Balance Start of FY																		
	Gross Costs, FY to Date																		
	Less: Amt. Charged to Project Costs, FY to Date:																		
	Direct Charges																		
	Distributions, Nonproductive VE																		
	Undistributed Balance, to Date																		



APPENDIX I, CHAPTER 8  
 UNIFORM LIST OF REPORT ITEMS  
 ENG FORM 3018C

ITEM CODE (NOTE(1))	ITEM DESCRIPTION	AUTH. ABBREVIATION (NOTE (2))	
1XXXXXX	Military Construction	MILITARY CONSTR	
2XXXXXX	Engineering and Design	ENG & DESIGN	
3XXXXXX	Miscellaneous Activities	MISC ACTIVITIES	
4XXXXXX	Work for Other CofE Establishments	WK FOR OTH CE ESTAB	
5XXXXXX	Reserved		
6XXXXXX	Grand Totals, All Activities	GRAND TOT - ALL ACTIV	
7XXXXXX	Total Lost Design Effort and Design Breakage	TOTAL LOST DESIGN EFFORT	
8XXXXXX	Reserved		
9XXXXXX	Reserved		
X1XXXXX	Construction Subject to Uniform 6% S&A Rate (CONUS)	CONSTR SUBJ 6 S&A	
* X2XXXXX	Construction Subject to Uniform 7.5% S&A Rate Except DERP (CONUS)	CONSTR SUBJ 7.5 S&A	*
X3XXXXX	Construction Subject to Special S&A Rate (Note (8))	CONSTR SUBJ SPEC S&A	
X4XXXXX	Construction Exempt from Uniform S&A Rate	CONSTR EXMT S&A	
X5XXXXX	Engineering and Design Subject to Design Limit	E&D SUBJ DES LIMIT	
X6XXXXX	Engineering and Design Exempt from Design Limit	E&D EXMT DES LIMIT	
X7XXXXX	Engineering During Construction	EDC	
X8XXXXX	Miscellaneous Activities (Applies to Item 4XXXXX ONLY)	MISC ACTIVITIES	
X9XXXXX	Construction Subject to Uniform 6.5% S&A Rate (OCONUS)	CONSTR SUBJ 6.5 S&A	
XAXXXXX	Construction Subject to Uniform 8.5% S&A Rate (OCONUS)	CONSTR SUBJ 8.5 S&A	
XBXXXXX	Rapid Response 15% S&A Rate (First \$500,000)	R R 15 S&A	
XCXXXXX	Rapid Response 10% S&A Rate (Over \$500,000)	R R 10 S&A	
* XDXXXXX	Construction Subject to Uniform 8% S&A Rate DERP (CONUS)	DERP RATE	*
XX1XXXX	Engineering and Design Relatable to Construction	E&D RELAT TO CONSTR	
XX2XXXX	Lost Design Effort	LOST DESIGN EFFORT	
XX3XXXX	Design Breakage	DESIGN BREAKAGE	
XX4XXXX	Engineering and Design Not Relatable to Construction	E&D NOT RELAT CONSTR	
XX5XXXX			
thru			
XX9XXXX	Reserved		

ER 37-345-10  
 Change 45  
 31 Oct 91

ITEM CODE (NOTE (1))	ITEM DESCRIPTION	AUTH. ABBREVIATION (NOTE (2))	
XXX1XXX	Direct Funded Work (Note (3))	DIRECT FUNDED	
XXX2XXX	Reimbursable MCA CARRIER (P6700) Except Army Facility Engineers	REIMB-MCA CARRIER	
XXX3XXX	Reimbursable MCA CARRIER (P6700) Army Facility Engineers (Note (7))	REIMB-MCA CARRIER AFE	
XXX4XXX	Reimbursable Work - RDT&E CARRIER (P9600)	REIMB RDT&E CARRIER	
XXX5XXX	Reimbursable Work - ALL OTHER CARRIERS (Note (4))	REIMB ALL OTH CARRIERS	
XXX6XXX	Contract Paid by Army Facility Engineers	CONT PD BY AFE	
XXX7XXX	Contract Paid by All Others	CONT PD BY OTH	
XXX8XXX	Reserved		
XXX9XXX	Reserved		
XXXX1-	Army (Subclasses as follows) (Note (5))	ARMY	
XXXX1AX	Military Construction, Army, Except Sentinel/ Safeguard Program	MCA-EXC SENT/SAFE GD	
XXXX1BX	Environmental Restoration Account - Army	ERD, ARMY	
XXXX1CX	Military Construction, Army National Guard	MCA NATL GUARD	
XXXX1DX	Military Construction, Army Reserve	MCA-RES	
XXXX1EX	Research. Development. Test and Evaluation, Army	RDT&E-ARMY	
XXXX1FX	Military Assistance Program, Army	MAP-ARMY	
XXXX1GX	Family Housing. Army, Except Minor Repair & Maintenance	FH-ARMY. EXC M MAINT	
XXXX1HX	Family Housing, Army, Minor Repair & Maintenance	FH-ARMY. M MAINT	
XXXX1JX	Procurement Appropriations - Army - Exclu Other Procurement Army	PA-ARMY - EX OPA	
XXXX1KX	Other Procurement Army - Army	OPA-ARMY	
XXXX1LX	Operation and Maintenance, Army - Real Estate Administration	O&MA-RE ADMIN	
XXXX1MX	Operation and Maintenance, Army - All Other	O&MA-ALL OTHER	
XXXX1NX	Operation and Maintenance, Army National Guard	O&M, A NATL GUARD	
XXXX1PX	Trust Fund - Commissary Stores - (Army)	TF-COMM ST ARMY	
XXXX1QX	Foreign Military Sales - Army	FMS-ARMY	
XXXX1RX	Cemeterial Expenses, Army	CEMETERIAL	
XXXX1SX	Army Industrial Fund	AIF	
* XXXX1TX	Army Base Closure	Ar B C	*
XXXX1UX	Dept of Army General Gift Fund	GIFT FUND ARMY	
XXXX1VX	Operation and Maintenance, Army Reserve	O&MA - RES	
XXXX1WX	Army Family Housing - Line Item Improvement	AFH - LII	
XXXX1XX	Army Family Housing - Energy Conservation Investment Program	AFH - ECIP	

ITEM CODE (Note (1))	ITEM DESCRIPTION	AUTH. ABBREVIATION (NOTE (2))
XXXX1YX	Non-Appropriated Funds, Army	NON APPROP ARMY
XXXX1ZX	Miscellaneous Activities, Army (Note (6))	MISC ACTIV ARMY
XXXX2-X	AIR FORCE (Subclasses as follows) (Note (5))	AIR FORCE
XXXX2AX	Military Construction, Air Force-Except Missile Program	MCAF-EXC MISSILE
XXXX2BX	Military Construction, Air Force-Missile Program	MCAF-MISSILE PROG
XXXX2CX	Military Construction, Air Force-National Guard	MCAF NATL GUARD
XXXX2DX	Military Construction, Air Force-Reserve	MCAF RES
XXXX2EX	Research, Development, Test, and Evaluation, Air Force	RDT&E-AF
XXXX2FX	Military Assistance Program, Air Force	MAP-AF
XXXX2GX	Family Housing, Air Force, Except Rehabilitation	FH-AF-EXC REHAB
XXXX2HX	Family Housing, Air Force, Rehabilitation	FH-AF-REHAB
XXXX2JX	Operation and Maintenance, Air Force, Real Estate Administration	O&MAF-RE ADMIN
XXXX2KX	Operation and Maintenance, Air Force, All Other	O&MAF-ALL OTHER
XXXX2LX	Operation and Maintenance, Air Force National Guard	O&MAF NATL GUARD
XXXX2MX	Missile Procurement, Air Force	MISS PROC AF
XXXX2NX	Foreign Military Sales, Air Force	FOREIGN MIL SALE-AF
XXXX2PX	Air Force Industrial Fund	AFIF
XXXX2QX	Operation and Maintenance, Air Force, Reversion Program Japan	O&MAF-REV PROG JAPAN
XXXX2RX	Other Procurement, Air Force	OPAF
XXXX2SX	Operation and Maintenance, Air Force Reserve	O&MAF - Reserve
XXXX2TX	Air Force Gift Fund	AF Gift Fund
XXXX2UX	Air Force Base Closure	AF B C
XXXX2VX	Reserved	
thru		
* XXXX2WX	Reserved	
XXXX2XX	Environmental Restoration Account, Air Force	ESA,AF
XXXX2YX	Non Appropriated Funds, Air Force	NON APPROP AF
XXXX2Z-X	Miscellaneous Activities, Air Force (Note (6))	MISC ACTIV AF

\*

ITEM CODE (NOTE (1))	ITEM DESCRIPTION	AUTH. ABBREVIATION (NOTE (2))
XXXX3-X	NAVY (Subclasses as follows) (Note (5))	NAVY
XXXX3AX	Military Construction, Navy	MCN
XXXX3BX	Family Housing, Navy. New Construction and Improvements	FH-N-NC&I
XXXX3CX	Family Housing, Navy, Repairs	FH-N-REP
XXXX3DX	Research, Development. Test and Evaluation, Navy	RDT&E-N
XXXX3EX	Military Assistance Program. Navy	MAP-N
XXXX3FX	Operation and Maintenance, Navy, All Others	O&M,N - All Other
XXXX3GX	Operation and Maintenance, Navy, Reversion Program Japan	O&MN-REV PROG JAPAN
XXXX3HX	Military Construction, Navy Reserve	MC Navy Reserve
XXXX3JX	Foreign Military Sales, Navy	Foreign Mil Sale - N
XXXX3KX	Navy Industrial Fund	NIF
XXXX3LX	Other Procurement, Navy	OPN
XXXX3MX	Reserved	
	thru	
* XXXX3WX	Reserved	
XXXX3XX	Environmental Restoration Account, Navy	ESA, Navy
XXXX3YX	Non Appropriated Funds, Navy	NON APPROP-N
XXXX3Z-X	Miscellaneous Activities, Navy (Note (6))	MISC ACTIV N
XXXX4-X	OTHER DEFENSE AGENCIES (Subclasses as follows) (Note (5))	OTHER DEF AGENCIES
XXXX4AX	Advance Research Project Agency	ARPA
XXXX4BX	Defense Nuclear Agency	DNA
XXXX4CX	Defense Intelligence Agency	DIA
XXXX4DX	Defense Logistics Agency	DLA
XXXX4EX	Defense Communications Agency	DCA
XXXX4FX	Army-Air Force Exchange Service (Non Appropriated Funds)	AAFES (NON APPROP)
XXXX4GX	Defense Mapping Agency	DMA
XXXX4HX	Defense Logistics Agency - OM	DLA-OM
XXXX4JX	National Security Agency	NSA

\*

ER 37-345-10  
 Change 49  
 29 Aug 94

ITEM CODE (NOTE (1))	ITEM DESCRIPTION	AUTH. ABBREVIATION (NOTE (2))
XXXX4KX	Defense Fuel Supply Center	DFSC
XXXX4LX	Defense Commissary Agency	DCA
* XXXX4MX	Defense Health Program	DHP
XXXX4NX	Reserved	
thru		
XXXX4YX	"	
XXXX4ZX	Miscellaneous Other Defense Agencies (Note (6))	MISC OTH DEF AGENCIES
XXXX5-X	DEPARTMENT OF DEFENSE (Subclasses as follows) (Note (5))	DOD
XXXX5AX	Homeowners Assistance Program, DOD	HAP-DOD
XXXX5BX	Research, Development, Test and Evaluation, DOD	RDT&E-DOD
XXXX5CX	Military Assistance Program, DOD	MAP-DOD
XXXX5DX	Operation and Maintenance, Defense Agencies	O&M, D
XXXX5EX	Military Construction, Defense Agencies	MC, D
XXXX5FX	Environmental Restoration Defense Account	ERD, A
XXXX5GX	DoD Schools	DOD, S
XXXX5HX	DoD Military Construction - ANG	DODMC, ANG
XXXX5JX	Department of Defense Medical Facilities	DOD-Med
XXXX5KX	RDT&E - Chemical Disp. Program	RDT&E-CDP
XXXX5LX	Procurement - Chemical Disp. Program	P-CDP
XXXX5MX	Operations & Maintenance — Chemical Disp. Program	O&M-CDP
XXXX5NX	Defense Business Operation Fund	DBO,FUND
XXXX5PX	Real Property Maintenance, Defense	RPM-DOD
XXXX5QX	Reserved	
thru		
XXXX5YX	"	
XXXX5ZX	Miscellaneous DOD (Note (6))	MISC DOD
XXXX6-X	OTHER GOVERNMENT AGENCIES (Subclasses as follows) (Note (5))	OTHER GOVT AGENCIES
XXXX6AX	Federal Emergency Management Agency	FEMA
XXXX6BX	Agency for International Development	AID
XXXX6CX	Asst. for Relocation of Facilities in Israel, Executive	REL ISRAEL
XXXX6DX	Department of Energy	DOE
XXXX6EX	National Aeronautics and Space Admin, Except Real Estate Acquisition and Administration	NASA-EXC RE ACQ&ADM
XXXX6FX	National Aeronautics and Space Admin — Real Estate Acquisition and Administration	NASA-RE ACQN & ADMIN
XXXX6GX	Commerce, Department of	COMM
XXXX6HX	General Services Administration	GSA

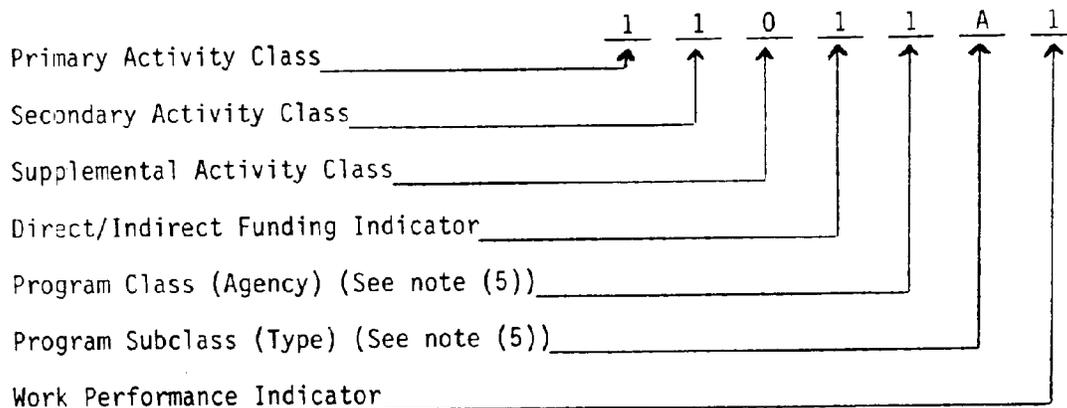
ITEM CODE (NOTE (1))	ITEM DESCRIPTION	AUTH. ABBREVIATION (NOTE (2))
XXXX6JX	Health and Human Services, Department of	HHS
XXXX6KX	Housing and Urban Development, Department of	HUD
XXXX6LX	Interior, Department of	INT
XXXX6MX	Justice, Department of	JUST
XXXX6NX	Labor, Department of	LABOR
XXXX6PX	Panama Canal Commission	PCC
XXXX6QX	Post Office Department	POD
XXXX6RX	State, Department of	STATE
XXXX6SX	Transportation, Department of	TRANSP
XXXX6TX	Treasury Department	TREAS
XXXX6UX	Veterans Administration	VA
XXXX6VX	International Communication Agency	ICA
XXXX6WX	Public Health Service	PHS

ITEM CODE (NOTE (1))	ITEM DESCRIPTION	AUTH. ABBREVIATION (NOTE (2))
* XXXX6XX	Federal Bureau of Investigations	FBI
XXXX6YX	American Battle Monuments Commission	AMER BMC
XXXX6ZX	Miscellaneous Other Government Agencies (Note (6))	MISC OTH GOVT AGEN
XXXX7-X	FOREIGN GOVERNMENTS (Subclasses as follows) (Note (5))	FOREIGN GOVTS
XXXX7AX	Costa Rica	COSTA RICA
XXXX7BX	Saudi Arabia	SAUDI
XXXX7CX	KUWAIT	KUW
XXXX7DX	Modernization of U. S. Facilities - Germany	MOUSF - Germany
XXXX7EX	Senegal	SENEGAL
XXXX7FX	Jordan	JOR
XXXX7GX	Barbados-Granada	BAR-GRA
XXXX7HX	Foreign Military Sales — Germany	FMS - Germany
XXXX7JX	Host Nation - Japan	HOST NAT JAP
XXXX7KX	Host Nation - Korea	HOST NAT KOR
XXXX7LX	Egypt	EGYPT
XXXX7MX	Sinai Construction Management Office	SCMO
XXXX7NX	Oman	OMAN
XXXX7PX	Foreign Military Sales - El Salvador	FMS - El Salvador
XXXX7QX	Bahrain	BAHRAIN
XXXX7RX	Sudan	SUDAN
XXXX7SX	Africa	AFRICA
XXXX7TX	Hondurus	HONDURUS
XXXX7UX	Niger	NIGER
XXXX7VX	Liberia	LIBERIA
XXXX7WX	Panama	PANAMA
XXXX7XX	African Civic Action	AFC
XXXX7YX	Mauritania	MAURITANIA
XXXX7ZX	Miscellaneous, Foreign Governments	MISC F GOVTS
XXXX8-X	NONGOVERNMENTAL (Subclasses as follows) (Note (5))	NON GOVT
XXXX8AX	States and Municipalities	STATE, MUNICIP
XXXX8BX	Commercial Firms and Individuals	COMM, INDIV
XXXX8CX	Reserved	
XXXX8YX	Reserved	
XXXX8ZX	Miscellaneous - Non Governmental	MISC NON GOVT
XXXX9-X	MISCELLANEOUS (Subclasses as follows)(Note (5))	MISC
XXXX9AX	Miscellaneous Activities, NATO	MISC ACTIV NATO
XXXX9BX	Construction Quality Assurance	CONST Q A
XXXXXX1	By Reporting Organization	REPORTING ORG
XXXXXX2	By Other C of E Establishments	OTHER C E ESTAB
XXXXXX3	Reserved	
XXXXXX8	Reserved	
XXXXXX9	Totals	TOTALS

ER 37-345-10  
 Change 40  
 30 Jun 86

NOTES:

(1) Applicable seven character item codes, obtained by combining the various code elements described in the report item list, will be inserted in the first column of ENG Forms 3018c. The data elements represented by each of the seven positions are as follows:



(2) Reserved.

(3) Include all work performed under funds provided by the Office, Chief of Engineers under allotment, suballotment, obligation authority and personal services costs for Air Force work accounted for under automatic reimbursement procedures in accordance with paragraph 3, Appendix J, ER 37-3-7.

\* (4) Include all work performed under automatic reimbursement orders in accordance with ER 37-3-7, not reportable elsewhere herein, except personal services for Air Force work accounted for in accordance with paragraph 3, Appendix J, thereof. Herein included is work directly financed by Trust Funds which are in turn financed by "Advances, Foreign Military Sales, DOD." \*

(5) Integrated two-character alpha-numeric program class-subclass codes are essential to provide the required combination of agency and type of activity codes. In no case will either of two position codes be used independently of the prescribed codes for the other position. Alphabetic codes "I" and "Ø" will not be used.

(6) Miscellaneous activity codes (XXXX1ZX, XXXX2ZX, etc.) will be used to report all work for which individual two-character codes have not been provided, for which fiscal year job costs are not estimated to exceed

ER 37-345-10  
Change 39  
29 Nov 85

\$250,000. If it is estimated that the fiscal year costs for any one job will exceed \$250,000, request for establishment of individual program code will be submitted to CDR USACE (DAEN-RMF-C), WASH DC 20314-1000. In no event will the prescribed item list be expanded without prior approval of the HQUSACE.

(7) Includes cost of all one stop services performed under automatic reimbursement orders in accordance with ER 420-1-1, received directly from Army Facility Engineers.

\* (8) Include only those costs related to specific projects for which a special rate has been approved by CDR USAGE (DAEN-RMF) based on an evaluation of individual circumstances IAW paragraph 7-13d. \*

APPENDIX II, CHAPTER 8  
ENG FORM 3018c FOOTNOTES

ENG FORM 3018c FOOTNOTE REPORTING FORMAT

<u>Position</u>	<u>Name</u>	<u>Description</u>	<u>Type</u>
1-2	EROC Code	ER 18-1-12, Appendix B	Pos 1 - Alpha Pos 2 - Num
3-9	Item Code	"Footnt" followed by Footnote number as in Footnt1, Footnt2, Footnt3, etc.	7 Pos - A/N
10-80	Same as ENG Form 3018c data format (Software Note Number S-299).		

NOTE: Submit as many cards as necessary for each footnote. However, do not submit:

1. Footnotes that do not apply.
2. Zero or blank amounts.

ER 37-345-10  
Change 40  
30 Jun 86

ENG FORM 3018c FOOTNOTE (1)

Submitted on this footnote are Division Office Functional Costs, applicable to Military activities, FY to date. This footnote is reported by Division Offices only. The District furnishing accounting support for the Division will submit this footnote using the Division\*s EROC. Amounts will be rounded to the nearest dollar, except amounts in Field IDs 107 and 113 will be rounded to the nearest thousand.

<u>FIELD ID</u>	<u>DESCRIPTION</u>
101	Gross Costs, Total
102	Direct Charges, Total
103	Net to O&M,A, S&A
104	Net to O&M,A, E&D
105	Net to O&M,A, All Others
106	Net to O&M,A, Total
107	Net to O&M,A, CFY Estimate
108	Net to O&M,A, includes EIG Field Office Expense of
109	Unfunded Military Personnel Services, S&A
110	Unfunded Military Personnel Services, E&D
111	Unfunded Military Personnel Services, All Others
112	Unfunded Military Personnel Services, Total
113	Unfunded Military Personnel Services, CFY Estimate

NOTE: On 4th quarter submissions, amounts reported in Field IDs 106 and 112 (rounded to the nearest thousand) should equal amounts reported in Field IDs 107 and 113, respectively.

ENG FORM 3018c FOOTNOTE (2)

Space Costs funded by DA are reported on this footnote. Amounts are reported to the nearest dollar.

<u>FIELD ID</u>	<u>DESCRIPTION</u>
101	S&A
102	E&D
103	All Others
104	Total

ENG FORM 3018c FOOTNOTE (4)

Value Engineering Costs are reported on this footnote. Amounts are reported to the nearest dollar.

<u>FIELD ID</u>	<u>DESCRIPTION</u>
101	Undistributed Balance, Start of FY
102	Gross Costs, FY to Date
103	Amounts Charged to Projects, FY to Date, Direct Charges
104	Amounts Charged to Projects, FY to Date, Nonproductive VE
105	Undistributed Balance, to Date

NOTE: The amount reported in Field ID 105, on the 4th quarter submission, is the amount reported in Field ID 101 on the submissions in the next fiscal year.

ER 37-345-10  
Change 43  
24 Jun 88

ENG FORM 3018c FOOTNOTE (5)

Accounts maintained under the Uniform 5.5% S&A Rate Procedure are reported on this footnote. Amounts are reported to the nearest dollar.

<u>FIELD ID</u>		<u>DESCRIPTION</u>	
* 101	S&A Account No.	VW65.802.1,	Contract
102	"	"	Hired Labor
103	"	"	Total
104	"	VW65.802.211,	Contract
105	"	"	Hired Labor
106	"	"	Total
107	"	VW65.802.212,	Contract
108	"	"	Hired Labor
109	"	"	Total
110	"	VW65.802.2211,	Contract
111	"	"	Hired Labor
112	"	"	Total
113	"	VW65.802.2212,	Contract
114	"	"	Hired Labor
115	"	"	Total
116	"	VW65.802.222,	Contract *
117	"	"	Hired Labor
118	"	"	Total

<u>FIELD ID</u>	<u>DESCRIPTION</u>
* 201	S&A Account No. VW65.802.23, Contract
202	" " Hired Labor
203	" " Total
204	" VW65.802.3, Contract
205	" " Total
207	" VW65.804.2, Hired Labor
208	" " Total
209	Total VW65.802.1 thru VW65.804.2, Contract
210	" " Hired Labor
211	" " Total
212	VW65.806 S&A Distribution (Sales) (Report as a positive number) *
213	Balance

NOTE: No maintenance to the Revolving Fund VW65 accounts is required. To produce the above information, the program will accumulate applicable VW65 data and generate the above FOOTNOTE cards if data is available.

ENG FORM 3018c FOOTNOTE (6)

Memo accounts for Unfunded Military Personnel Services are reported on this footnote. Amounts are reported to the nearest dollar except Field ID 109 which is to the nearest thousand.

<u>FIELD ID</u>	<u>DESCRIPTION</u>
101	Account No. 902.21
102	Account No. 902.22

ER 37-345-10  
Change 43  
24 Jun 88

<u>FIELD ID</u>	<u>DESCRIPTION</u>
103	Account No. 904.1
104	Account No. 904.22
105	Account No. 904.3
106	Account No. 905.1
107	Account No. 905.2
108	Total
109	CYF Estimate

ENG FORM 3018c FOOTNOTE (7)

Accounts maintained under the Uniform 7.5% S&A Rate Procedure are reported on this footnote. Amounts are reported to the nearest dollar.

<u>FIELD ID</u>	<u>DESCRIPTION</u>
* 101	S&A Account No. VW66.802.1, Contract
102	" " Hired Labor
103	" " Total
104	" VW66.802.211, Contract
105	" " Hired Labor
106	" " Total
107	" VW66.802.212, Contract
108	" " Hired Labor
109	" " Total
110	" VW66.802.2211, Contract *
111	" " Hired Labor

<u>FIELD ID</u>	<u>DESCRIPTION</u>		
* 112	S&A Account No.	VW66.802.2211,	Total
113	"	VW66.802.2212,	Contract
114	"	"	Hired Labor
115	"	"	Total
116	"	VW66.802.222,	Contract
117	"	"	Hired Labor
118	"	"	Total
201	"	VW66.802.23,	Contract
202	"	"	Hired Labor
203	"	"	Total
204	"	VW66.802.3,	Contract
205	"	"	Total
207	"	VW66.804.2,	Hired Labor
208	"	"	Total
209	Total VW66.802.1 thru VW66.804.2,		Contract
210	"	"	Hired Labor
211	"	"	Total
212	VW66.806 S&A Distribution (Sales number)		(Report as a positive *)
213	Balance		

NOTE: No maintenance to the Revolving Fund VW66 accounts is required. To produce the above information, the program will accumulate applicable VW66 data and generate the above FOOTNOTE cards if data is available.

ER 37-345-10  
Change 40  
30 Jun 86

ENG FORM 3018c FOOTNOTE REMARKS

<u>LINE NO.</u>	<u>DESCRIPTION</u>
R01	57 Characters of Free Format Remarks
R02	57 " " "
R03	57 " " "
R04	57 " " "
R05	57 " " "
R06	57 " " "
R07	57 " " "
R08	57 " " "
R09	57 " " "

NOTE: Each line of 57 characters must be identified by a different line number.

CHAPTER 9

APPROPRIATION REIMBURSEMENT ACTIVITY

9-1 General. General policy and budgeting and funding procedures for appropriation reimbursement activity are provided by AR 37-108 and ER 37-3-7. This chapter provides accounting treatment for amounts included in allotments (or Approved Operating Budgets (AOB) for O&MA) to finance funded reimbursement activity, orders received (both funded and automatic), reimbursements earned, and reimbursements collected.

9-2 Financing Orders Received.

a. General. Obligational authority to finance performance of orders received is provided through receipt and acceptance of the orders themselves. The following may be used to document reimbursable orders received, in addition to those specifically provided by AR 37-108:

- \* DD Form 448 Military Interdepartmental Purchase Request
- DD Form 1144 Interservice Supply Support Agreement
- Any other document which incorporates all the essentials of an order received, as defined in AR 37-108.

b. Funded Reimbursement Activity. Upon receipt of an allotment (or current fund availability in AOB) which includes an amount to finance funded reimbursement activity, such amount will be reserved to preclude its being obligated prior to receipt of applicable orders. The amount reserved will be accounted for as Dr 1020 (for AOB Dr 4301.1) Cr 4502. The reservation will also be recorded in the allotment accounting records.

ER 37-345.10  
Change 8  
22 Dec 69

9-3 Accounting for Appropriation Reimbursement Activity. Orders received, unfilled orders, earned reimbursements and collections will be accounted for in general ledger accounts 4731, 4732, 4733 and 3018 and subsidiary appropriation reimbursement ledgers.

a. Appropriation Reimbursements Ledger. The appropriation reimbursements ledger will be maintained in the format illustrated in AR 37-108. This ledger will be maintained at the levels prescribed in AR 37-108 except that for no-year appropriations, separate accounts will be maintained by program year. Additional subsidiary ledger accounts will be maintained as required for reporting purposes. Amounts of all the following kinds of transactions will be recorded in the appropriation reimbursements ledger as well as in registers and ledgers as provided in succeeding paragraphs:

- (1) Orders received and amendments and adjustments therein.
- (2) Reserves for receipt of funded reimbursement orders, and adjustments therein.
- (3) Earned reimbursements.
- (4) Reimbursements collected.
- (5) Accounts receivable transferred for collection, that have been generated in connection with orders received.

b. Orders Received. Orders received will be vouchered on ENG Form 3007, as Dr 4732, Cr 4731. For funded reimbursement orders, collateral entry will be Dr 4502, Cr 4501. For automatic orders, collateral entry will be Dr 1020, Cr 4501. All orders received and amendments and adjustments therein, and all transactions affecting the reserve for receipt of funded reimbursement orders will be posted to the Funds Receipts and Disbursements Register and the funds authorized column of the allotment ledger.

\* c. Reimbursements Earned. Reimbursements earned will include amounts billed. ENG Form 3006a will be used to voucher the receivable and the reimbursement earned, and entered in the Accounts Receivable Register as DR 1100, CR 1801, 6051 or 6799 as appropriate; collateral entry DR 4733, CR 4732. Reimbursements earned to the end of the fiscal year will include accumulated unbilled costs to date on work in process. In that case ENG Form 3007 will be entered directly in the general ledger to debit account 4733 and credit 4732 with the amount of the unbilled earnings. \*

1 Mar 69

In vouchering adjustments upon final billing, care will be taken to assure that reimbursements earned in the current fiscal year do not duplicate amounts recorded as earned in the preceding fiscal year. (See also par e below for reimbursements earned in connection with property disposal operations.)

d. Reimbursements Collected. Collection documents will be annotated to show the effect on general ledger accounts and entered in the Funds Receipts and Disbursements Register as follows:

Dr	1000	Disbursing Officer*s Cash
	Cr	1100 Accounts Receivable
Dr	3018	Appropriation Reimbursements Collected
	Cr	1020 Funds with Treasury

e. Expenses of Property Disposal operations. The transfer of receivables (par 4-272e, AR 37-108) will be accomplished only by accounting entries without preparation or submission of a bill. The quarterly reports of Expenses (Costs) for Disposal of Scrap, Salvage, Excess, Surplus, Foreign Excess Personal Property and Timber and Lumber Products (RCS CSCAA-123(R-1)), will be the basis for entries by the transferring office. The applicable amounts transferred will be shown in the Status of Reimbursements (RCS CSCAA-112(R-3) in accordance with para 15-265d(8), AR 37-108. Accounting entries to establish the reimbursement earned and the receivable, and to transfer the receivable will be vouchered on ENG Form 3007 and posted to the general ledger and applicable appropriation reimbursement ledgers, as follows:

(1) Entries to be made as of the end of each month:

Dr	4733	Reimbursements Earned
	Cr	4732 Unfilled Orders
Dr	1100	Accounts Receivable
	Cr	6051 Sales

(2) Entries to be made in October, January, April and as of June:

Dr	3052	Transfers of Accounts Receivable
	Cr	1100 Accounts Receivable

ER 37-345-10  
Change 24  
3 Oct 77

f. Orders received account in annual appropriation. Orders received in an annual appropriation will be adjusted at the end of the fiscal year to the amount of orders completed or filled, i.e., reimbursements earned, (See para g(1) below). The unfilled portion of "orders received" at the end of the fiscal year will be transferred to the next fiscal year as orders received in the succeeding annual appropriation.

g. Year-end adjusting and closing of Orders Received accounts. At the end of the fiscal year, after making adjustments in reimbursements earned in accordance with para c above, adjusting and closing entries will be made by use of ENG Form 3007.

(1) Adjusting entry. The following entry will be posted to the Funds Receipts and Disbursements Register and the allotment ledger in the amount of the unfilled orders which have been financed by expiring annual appropriations of the performing agency:

DR 4731 Orders Received  
Cr 4732 Unfilled Orders  
DR 4501 Uncommitted Allotments  
Cr 1020 Funds With Treasury (for automatic orders)  
Cr 4502 Reserve for Receipt of Orders (for funded orders)

\* NOTE: The unfilled orders received in the above reversing entry should be recorded on 1 Oct as "orders received" under the annual appropriation for the current fiscal year.

(2) Closing entry. Entry will be posted direct to the general ledger to debit account 4731 and credit account 4733 in the amount to close out the latter account.

As a result of (1) and (2) above, the balances in accounts 4731 and 4732 should be identical, and should represent unfilled orders financed with no-year appropriations.

h. Annual closing of Reserve for Receipt of Orders account.  
\* As of 30 Sept each fiscal year, balances in account 4502 pertaining to expiring annual appropriations will, be closed by journal entry debiting account 4502 and crediting account 1020. This journal entry will be posted to the Funds Receipts and Disbursement Register and applicable allotment and appropriation reimbursements ledgers.  
\* The effect of this entry will be a reduction of allotments and reserve and will be so reflected in items 4 and 5, Part I of the CSCFA-216 report. Any subsequent adjustments of prior year funded reimbursement orders will be given the same general ledger treatment as \*

ER 37-345-10  
Change 24  
3 Oct 77

automatic reimbursement orders; however, separate identity of the adjustments (funded or automatic) will be maintained in appropriation reimbursement ledgers and the CSCAA-112 report. Balances as of 30 Sept in account 4502 for no-year appropriations. will be retained in that account and the allotment ledgers and will be included in items 3 and 5, Part 1 of subsequent CSCFA-216 reports.

CHAPTER 10

Homeowners Assistance Program

10-1 Purpose. This chapter covers accounting and reporting instructions for the Homeowners Assistance Program (HAP) authorized by Section 1013, PL 69-754 (80 Stat 1255, 1290) approved 3 November 1966. The Act authorizes the Secretary of Defense to provide assistance to eligible civilian employee and military member homeowners by reducing their losses incident to the disposal of their homes when the military installations at which they were employed or serving are, subsequent to 1 November 1964, ordered to be closed in whole or in part. The Program is financed by Revolving Fund 97X4090 Homeowners Assistance Fund, Defense from which funds are made available to the Chief of Engineers as "97X4090.0122 Homeowners Assistance Fund, Defense - Allocation to the Department of the Army," here-  
\* in after termed "Budget Expenditure Account." This chapter supplements other portions of this regulation and of OCE Supplement 1 to AR 37-108 by prescribing special financial accounting and reporting for HAP. \*

10-2 References. a. ER 405-345-700 Homeowners Assistance Program. This ER prescribes rules, policies and procedures for the administration of HAP. It also prescribes the Docket Sheet, ENG Form 4153 for recording steps in the administration of HAP, and procedure for its maintenance and the submission of data on punched cards to the Chief of Engineers.

b. Agreement between Department of Defense (DOD) and Department of Housing and Urban Development (HUD), 18 June 1968, delineates assistance to be furnished by Federal Housing Administration (FHA). A copy has been furnished only to Baltimore District.

10-3 Relationship to FHA. In accordance with the DOD/HUD Agreement, FHA maintains the homes acquired by the Corps of Engineers, rents homes, makes principal and interest payments on the mortgages assumed upon acquisition of homes and payments in lieu of taxes and insurance; sells homes for cash or credit (purchase money mortgages), or by transfer of existing mortgages; and collects sales proceeds and payments on principal and interest on purchase money mortgages. The Chief of Engineers will issue annual reimbursable orders to FHA, reimbursable by Baltimore District, to cover FHA expenditures in administering HAP. FHA expenses will be reimbursed from the Budget Expenditure Account. FHA payments on mortgage principal will be reimbursed from Borrowing Account - Disbursements. Monthly, Baltimore District will receive bill (SF 1080) from FHA thru OCE in the net amount of expenditures incurred and receipts collected, accompanied by a statement of transactions applicable bureau voucher and journal entry. If the monthly receipts exceed expenditures, Baltimore District will receive check with reverse bill from FHA.

ER 37-345-10  
Change 4  
2 Jun 69

\* 10-4 Accounting principles, a. Accounting offices. Office, Chief of Engineers (OCE) and all districts (includes operating division offices) administering HAP will maintain accounts and render prescribed reports. Baltimore District will maintain accounts for OCE expense and for FHA participation in HAP.

b. General ledger. A separate general ledger will be maintained in accounting for HAP.

c. Subsidiary records. (I) Allotment ledger accounting for the Budget Expenditure Account will be maintained in accordance with Chapter 5. In addition, obligational authority to assume mortgages will be auto-matically created and entered in the accounts to the extent of the amount of mortgages actually assumed subject to annual funding limitations.

(2) Cost accounts will be maintained for each installation in connection with which homeowner assistance has been granted, in support of general ledger accounts for acquisition of homes (GL 1791); for other relief to homeowners in the form of reimbursements for loss on private sales (GL 7851) and payments in foreclosure cases (GL 7852); and for appraisals (GL 7853).

(3) Cost accounts (7859.11 thru 7859.17) will be maintained to support district office administrative expense (CL 7859.1).

(4) Records subsidiary to general ledger accounts representing FHA activity (GL 1603.-, 2601.2, 2601.3, 6742.-, 6743, 7854.- 7859.3 and 7859.4) will be derived from bills (SF 1080) and supporting schedules furnished by FHA to the Chief of Engineers.

(5) Records subsidiary to general ledger Account 1792 Homes Sold (Cr) and 7855 (Dr) will be derived from the schedules furnished by FHA and Docket Sheet data prepared by OCE. Based on these data, OCE will furnish journal entry to Baltimore District, debiting Account 7855 Acquisition Cost of Homes Sold and crediting Account 1792.

d. Accrual basis of accounting and reporting. Accounts will be maintained on the accrual basis. The obligation and accrued expenditure for the amounts of the homeowner\*s equity and liquidation of second mortgages and other liens will be recorded as of the date of the Government's acceptance of the homeowner\*s offer to sell. The obligation and accrued expenditure for the amount of a first mortgage assumed will be recorded as of the date of settlement for acquisition of the home. The obligation and accrued expenditure for the amount reimbursable for loss on a private sale or for amount(s) payable in a foreclosure case will be

\*

\* recorded as of the date the District Engineer receives the applicant's written acceptance of the amount of proposed reimbursement or foreclosure relief.

10-5 Account structure. a. Chart of accounts. The following chart shows the general ledger and cost subsidiary ledger accounts prescribed in accounting for HAP. The general ledger accounts to be maintained by each office of the Corps are indicated by "G" in the applicable columns. Cost accounts are indicated by "C." The letter "F" indicates those general ledger accounts supported by data furnished by FHA. The letter "E" indicates those general ledger accounts based on Docket Sheet data supporting Journal entry furnished by the Chief of Engineers. New accounts will not be added without the prior approval of the Chief of Engineers.

97X4090.xxxx	All	Balti
Fund	Dist-	more
<u>Citations</u>	<u>OCE</u>	<u>ripts</u> <u>only</u>

ASSET ACCOUNTS

Available Funds

1000	Disbursing Officer*s Cash		G	
1020.-	Funds with Treasury -			
.1	DOD	.0022	G	
.2	OCE	.0122	G	
.3-	District -			
.31	Budget Expenditure Account	.0122	G	
.32	Borrowing Account - Receipts	.0197	G	
.33	Borrowing Account - Disbursements	.0187		G
.34	Loan Account - Disbursements	.0163		G *

ER 37-345-10  
 Change 4  
 2 Jun 69

97X4090.xxxx      All      Balti-  
 Fund              Dist-      more  
Citations      OCE      ripts      only

\* 1020.- Funds with Treasury (continued)

.35	Loan Account - Repayments	.0173		G
.36	Revenue Account	.0022		G

Accounts Receivable

1100.- Accounts Receivable -

.1	Within Government			G
.2	Other			G

Other Receivables

1603.- Purchase Money Mortgages Receivable -

.1	Mortgages Accepted -	.0163		
.11	Within Government			G-F
.12	Other			G-F
.2-	Collections by US (Cr) -	.0173		
.21	Within Government			G-F
.22	Other			G-F

Other Assets Held for Sale

1791	Homes Acquired	.0122		G
1791.1	Equity Payments to Homeowners			C
1791.2	Liquidation of Secondary Mortgages/Liens			C
1791.3	Mortgages Payable Assumed			C
1792	Homes Sold (Cr)	.0122		G-E
1793	Acquisitions in Process	.0122		G



ER 37-345-10  
 Change 4  
 2 Jun 69

97X4090.xxxx      All      Balti-  
 Fund              Dist-      more  
Citations      OCE      ripts      only

\* Unexpended Appropriation

4001.-	Unapportioned Appropriation -	.0022		
.1	Appropriation Realized		G	
.2	Appropriation Apportioned		G	
4011	Appropriation Reserve	.0022	G	
4201	Unallocated Apportionments	.0022	G	
4301	Apportionments Allocated	.0022	G	
4401	Allocations Received and Distributed	.0122	G	
4404	Allotments Issued	.0122	G	
4501	Unobligated Allotment	.0122		G
4801	Undelivered Orders	.0122		G

INCOME ACCOUNTS

6742.-	Sales of Homes -	.0022		
.1	Sales Proceeds			G-F
.2	Mortgages Transferred to Purchaser			G-F
.3	Purchase Money Mortgages Accepted by US			G-F
6743	Purchase Money Mortgages Interest	.0022		G-F

NOTE: Report on Status of Reimbursements (RCS CSCAA-112(R4) will be prepared from current fiscal year data in GL 6742, 6743 and 1020.36. \*

97X4090.xxxx      All - Balti-  
 Fund              Dist- more  
Citations        OCE ripts only

\* EXPENSE ACCOUNTS

.0122

7851	Reimbursement for Loss on Private Sales	G	
7851	Reimbursement for Loss on Private Sales	C	
7852	Payments in Foreclosure Cases	G	
7852	Payments in Foreclosure Cases	C	
7853.1	Appraisals - By Contract	G	
7853.2	Appraisals - In House (Hired labor)	G	
7853	Appraisals (Allocated to installations)	C	
7854.-	FHA Activities -		
.1	Interest Payments on Mortgages Assumed		G-F
.2	Payments in Lieu of Taxes and Insurance		G-F
.3	Maintenance		G-F
.4	Sales Expense		G-F
7855	Acquisition Cost of Homes Sold		G-E
7859.-	Administrative Expense -		
.1	District Office	G	
.11	Rejections - Processing	C	
.12	Private Sale - Processing	C	
.13	Foreclosure - Processing	C	
.14	Acquisition - Processing	C	
.15	Appeals	C	
.16	Other Direct Costs	C	
.17	District Overhead	C	

ER 37-345-10  
 Change 4  
 2 Jun 69

	97X4090.xxxx	All	Balti-
	Fund	Dist-	more
	<u>Citations</u>	<u>OCE</u>	<u>ripts</u> <u>only</u>
* 7859.-	Administrative Expense - (continued)		
.2	OCE		G
.3	FHA Insuring Offices		G-F
.4	FHA Headquarters		G -F
9029	Military Personnel Costs (Memo)	G	

b. Descriptions of accounts. Descriptions of accounts peculiar to HAP are furnished below. Descriptions in Chapter 2 apply generally to the remaining general ledger accounts required in accounting for HAP. Explanation is furnished regarding the breakdown of Account 1020 Funds with Treasury. Accounts representing receivables and payables will be broken down to show transactions within the Federal Government and those with others.

1020 Funds with Treasury. Accounts 1020.1, 1020.2 and 1020.3- will be maintained for Funds with Treasury at DOD, OCE and District level, respectively. The balances in Accounts 1020.1 and 1020.2 will show the total made available to DOD under Revolving Fund 97X4090 and to OCE under the allocation account 97X4090.0122, respectively. Account 1020.3- is further broken down to show amounts for each classification of funds involved.

1603 Purchase Money Mortgages Receivable. Two accounts will be maintained under this heading.

1603.1 Mortgages Accepted. This is a debit balance account. It will be debited with amounts of purchase money mortgages accepted by FHA upon the sale of homes. It will be credited with the amount of the balance in Account 1603.2 at the end of each fiscal year.

1603.2 Collections by US (Cr). This is a credit balance account. It will, be credited with amounts of principal payments on purchase money mortgages received by FHA. The balance will be closed into Account 1603.1 at the end of each fiscal year.

1791. Homes Acquired. This is a debit balance account. It will be debited with the purchase price of homes acquired by the Government. It will, be supported by cost accounts described below. \*

- \* Cost accounts 1791.1 thru 1791.3 will be maintained for each impacted installation in connection with which homeowner assistance has been granted, to show the nature of the expenditure.

1791.1 Equity Payments to Homeowners. This account will show the amounts paid to homeowners for their equity in their homes.

1791.2 Liquidation of Secondary Mortgages/Liens. This account will show the amounts paid for liquidation of secondary mortgages or other liens.

1791.3 Mortgages Payable Assumed. This account will show the amounts of first mortgages assumed by the Government in acquiring homes.

1792 Homes Sold (Cr). This is a credit balance account showing the amount of the investment included in Account 1791, that is applicable to homes sold.

1793 Acquisitions in Process, This is a clearing account. It will be debited with accrued expenditures for homeowners\* equity and liquidation of secondary mortgages and other liens on homes. Upon settlement for acquisition of a home, Account 1793 will be credited and Account 1791 will be debited with the total of the amounts shown thereon for the homeowners\* equity and liquidation of secondary mortgages and other liens, and applicable amounts will be charged to cost subsidiary accounts 1791.1 and 1791.2, respectively.

2601 First Mortgages Payable. Three accounts will be maintained under this heading. The algebraic sum of the balances in these accounts, each maintained cumulative from inception by Baltimore District, represents the amount remaining due on first mortgages assumed by the Government upon the acquisition of homes. Account 2601.1 will be maintained by all districts; Accounts 2601.2 and 2601.3 by Baltimore District only.

2601.1 Mortgages Assumed by US. This is a credit balance account. It will be credited with the amounts of first mortgages assumed by the Government.

2601.2 Payments by US (Dr). This is a debit balance account. It will be debited with amounts of payments on first mortgages reimbursed to FHA.

2601.3 Mortgages Transferred to Purchaser (Dr). This is a debit balance account. It will be debited with the amounts of balances of first mortgages transferred by FHA to purchasers.

3012 Expended Allotment. Two accounts will be maintained under this heading

ER 37-345-10  
Change 4  
2 Jun 69

\* 3012.1 Prior Fiscal Years. This is a credit balance account. It will be credited at the end of each fiscal year with the balance transferred from Account 3012.2.

3012.2 Current Fiscal Year. This account will be credited at the end of each month with the month\*s accrued expenditure. recorded in the Budget expenditure Account, in accordance with para 5-8. It will be closed into Account 3012.1 at the end of each fiscal year.

3:102 Accumulated Operating Results. The balance in this account may be a debit balance or a credit balance depending upon whether cumulative expenses exceed cumulative income, or vice versa. This is a fiscal year-end account for transfer of balances of accounts in the 6000 and 7000 series.

3214 Funds Returned to US Treasury. This is a debit balance account. It will be debited with amounts of funds deposited to Miscellaneous Receipts account 972814 Other Repayments of Investments and Recoveries (Homeowners Assistance Fund,\* Defense).

4001 Unapportioned Appropriation. Two accounts will be maintained under this heading.

4001.1 Appropriation Realized. This credit balance account reflects the amounts of appropriations made by the Congress.

4001.2 Appropriation Apportioned. This debit balance account reflects amounts of apportionments made by Bureau of the Budget to DOD.

4011 Appropriation Reserve. This is a credit balance account. It will be credited with amounts reserved from apportionment by BOB. It will be debited with amounts released by apportionment.

4201 Unallocated Apportionments. This is a credit balance account. It will be credited with amounts of apportionments by BOB. It will be debited with amounts allocated by DOD to Department of the Army (DA).

4301 Apportionments Allocated. This is a credit balance account. It will be credited with amounts of apportionments allocated to DA.

4401 Allocations Received and Distributed. This is a credit balance account. It will be credited with amounts of allocations from DOD to DA/OCE, and debited with amounts allotted to districts.

\*

4404 Allotments Issued. This is a credit balance account. It will be credited with allotments issued by the Chief of Engineers to districts and debited with amounts of allotments revoked.

Income accounts. These are credit balance accounts maintained to show income accrued in administering HAP. Mounts for these accounts will be obtained from statements accompanying FHA bills, regarding homes sold and purchase money mortgage interest collected. The 30 Sept balances in these accounts will be closed into Account 3102 in the month of October. \*

6742 Sales of Homes. Three accounts will be maintained under this heading.

6742.1 Sales Proceeds. This account will be credited with amounts of cash collected by FHA upon sales of homes.

6742.2 Mortgages Transferred to Purchaser. This account will be credited with the amounts of first mortgage balances transferred to purchasers upon sale of homes by FHA.

6742.3 Purchase Money Mortgages Accepted by US. This account will be credited with the amounts of purchase money mortgages accepted by the Government (FHA) upon sale of homes.

6743 Purchase Money Mortgages Interest. This account will be credited with amounts of interest collected by FHA on purchase money mortgages.

Expense accounts. Accounts numbered 7851 thru 7859.4 are debit balance accounts. They show amounts of expenses incurred in administering HAP. Except for Account 7855, they are described in AR 37-102-5 Department of Defense Fiscal Code. Accounts 7851 thru 7853 and 7859.1 show Corps of Engineers field office expenses incurred in acquiring homes and providing homeowner relief. Account 7859.2 covers OCE administrative expense. Account 7855 represents the amount of investment in homes sold. The remaining accounts represent FHA expenses incurred in the maintenance and disposal of homes. The balances as of 30 Sept in the expense accounts will be closed into Account 3102 in the month of October. \*  
Cost accounts will be maintained in support of general ledger accounts 7851, 7852 and 7853 in accordance with para 10-4c(2), and in support of general ledger account 7859.1 in accordance with para 10-4c(J).

9029 Military Personnel Costs (Memo). This account will be maintained on a memorandum basis to record the cost of services of military personnel engaged in HAP activities. It will be maintained on a fiscal year basis.

c. Sample entries. Samples of entries in accounting for HAP are illustrated in Appendix 10-I.

ER 37-345-10  
Change 4  
2 Jun 69

\* 10-6 Acquisition of homes. Accrued expenditures for the homeowners equity and liquidation of secondary mortgages and liens will be charged to GL 1793 Acquisitions in Process. Upon settlement for the acquisition of a home the district Real Estate Division will furnish to the FAO a statement showing the amounts applicable to the homeowner\*s equity, liquidation of secondary mortgages and liens, and the balance due on the first mortgage assumed. Upon receipt of the statement the FAO will:

a. Process ENG Form 3007 crediting GL 1793 and debiting GL 1791 (cost accounts 1791.1 and 1791.2) for the amounts of the homeowner\*s equity and liquidation of secondary mortgages/liens, respectively.

b. Process ENG Form 3006 debiting GL 1791 (cost account 1791.3), payable from the Budget Expenditure Account and crediting GL 2100 for the amount of the balance due on the first mortgage assumed.

c. Process no-check SF 1080 in payment for the ENG Form 3006 expenditure, transferring the amount to Borrowing Account - Receipts. The entry for this SF 1080 in the Funds Receipts and Disbursement Register will be: Dr 2100, Cr 1020.31; also: Dr 1020.32, Cr 2601.1.

10-7 Funds accounts, a. The fund account for the Revolving Fund 97X4090 Homeowners Assistance Fund, Defense will be maintained at OCE, in general ledger account 1020.1.

b. The fund account at OCE level for the allocation account 97X4090. 0122 Homeowners Assistance Fund, Defense - Allocation to the Department of the Army. (Budget Expenditure Account) will be maintained at OCE, in general ledger account 1020.2.

c. The following funds accounts under 97X4090 Homeowners Assistance Fund, Defense, with related general ledger accounts, will be maintained at District level:

<u>Decimal limitation</u>	<u>Account title</u>	<u>GL account</u>
.0122	Budget Expenditure Account	1020.31
.0197	Borrowing Account - Receipts	1020.32
.0187	Borrowing Account - Disbursements	1020.33
.0163	Loan Account - Disbursements	1020.34
.0173	Loan Account - Repayments	1020.35
.0022	Revenue Account	1020.36

The Budget Expenditure Account and Borrowing Account - Receipts will be maintained by all districts receiving allotments from 97X4090.0122. The other accounts will be maintained by Baltimore District only.

10-8 Budget Expenditure Account. Allotment accounting for this account will be maintained in accordance with Chapter 5. The purposes for which this account will be maintained are stated in AR 37-100.

10-9 Borrowing Accounts.

a. Borrowing Account - Receipts will reflect the amounts of first mortgage balances due and assumed by the Government in the acquisition of homes. The amounts will be recorded from vouchers for no-check transfers from the Budget Expenditure Account for this purpose.

b. Borrowing Account - Disbursements will reflect two kinds of transactions in the liquidation of the liability for first mortgages assumed. These include amounts of payments by FHA on the mortgage principal and amounts of mortgage balances transferred to purchasers upon the sale of homes. Amounts of Borrowing Account - Disbursements will be determined from the statements of transactions accompanying FHA bills in settlement for their participation in HAP.

10-10 Loan Accounts. Loan Account - Disbursements will reflect the amounts of purchase money mortgages accepted by IRA for the Government upon the sale of homes. Loan Account - Repayments will reflect the amounts collected by FHA on the principal of purchase money mortgages. Amounts for both of these accounts will be determined from the statements of transactions accompanying FHA bills.

10-11 Revenue Account. Revenue accrued in the administration of HAP is comprised of the amounts of sales and purchase money mortgage interest. These amounts will be determined from statements accompanying FHA bills.

\* The revenue will be classified 97X4090.0022 C S49-129.

10-12 Funds Returned to US Treasury. Subject to the approval of the Assistant Secretary of Defense (Comptroller), revenue in excess of Program needs will be deposited in Miscellaneous Receipt account 972814 Other Repayments of Investments and Recoveries (Homeowners Assistance Fund, Defense).

10-13 Reports. In addition to the reports required by OCE Supplement 1 to AR 37-108; reporting for HAP is required as follows:

\* a. Cost - Budget Summary. ENG Form 3018c (RCS DAEN-RMF-6(R4)). HAP activity will be included under Item 30015AD, Miscellaneous Activities (para 8-13):

ER 37-345-10  
Change 26  
15 Dec 78

(1) Column 1, Direct Costs. All districts will report in this column the costs of appraisals (GL 7853.1 and 7853.2) and district office administrative expense (Cost Accounts 7859.11 thru 7859.16). Baltimore District will also report OCE administrative expense (GL 7859.2) in Column 1.

(2) Column 4, Overhead Distributed. All districts will report in this column the overhead charged (Cost Account 7859.17).

(3) Column 7, Real Estate Payments. All districts will report in this column the costs of homes acquired (CL 1791), reimbursements for loss on private sales (GL 7851) and payments in foreclosure cases (GL 7852).

(4) Column 9, All Other. Baltimore District will report in this column FHA expenses in GL Accounts 78%.-, 7859.3 and 7859.4.

b. Financial Reporting - Homeowners Assistance Fund (RCS DAEN-RMF-18 (R2)). Districts with Homeowners Assistance activity will submit a report in the format of Appendix 10-II to reach HQDA (DAEN-RMF-C) WASH DC 20314 by 15 April for the period ending 31 March and by 31 October for the period ending 30 September.

(1) Item A of the report is a trial balance of the general ledger covering all funds involved in accounting for HAP by districts. Not all accounts apply to all Districts, as indicated by para 10-5a. For GL 1791, amounts will be shown in parentheses for each of the subsidiary cost accounts. For the receivables and payables, amounts will be shown separately for Within Government and Other.

(2) Item B of the report relates to budget expenditure (.0122) accounts only. It is designed to reconcile data in selected general ledger accounts with those in the status of funds report.

(3) The number of homes acquired in the current fiscal year will be chosen for Item C.

\* c. (Rescinded.)

- \* (a) Lines 1 and 2. Appraisals. The unit is "Completed Appraisal, including final review."
- (b) Line 3. Applications Processing - Rejection. The unit is "Notice of rejection (ineligibility) forwarded to the applicant."
- (c) Lines 4, 5 and 6. Applications Processing - Private Sale, Applications Processing Foreclosure. Applications Processing - Acquisition. The unit is "settlement completed", i.e., when the payment to the homeowner has been made. Delayed in the transfer of properties to FHA do not affect the reporting of acquisitions.
- (d) Line 7. Appeals. The unit is "Appeal Assembly forwarded to higher authority."
- (e) Lines 11, 12 and 13. Private Sale - Payments. Foreclosure - Payments. Acquisition - Payments. The unit is "settlement completed." The number of units reported for each of these line items should agree with the number of units reported for lines 4, 5 and 6 respectively.
- (f) Line 15. Mortgages Assumed. The unit is "First Mortgage Assumed."  
Note: Liquidation of second mortgages is covered in units for line 13, Acquisition - Payments.
- (3) The number of "man-hours" is actual work time of Government personnel applied to the listed activities; exclude non-effective time (leave and holidays) and time of personnel included in district overhead.
- (4) The amount of "labor costs" is the charge for Government personnel at effective time rates; exclude personnel benefits.
- (5) The amount of "total costs" for each of the activities is the total charged during the fiscal year to the accounts cited on ENG Form 4298.
- d. Reports to DA and higher authorities. Reports required of the Chief of Engineers will be in accordance with applicable instructions. \*

\*

APPENDIX 10-I  
Sample Entries

1. Index to sample entries.

- (1) Appropriation to DOD
- (2) Apportionment to DOD
- (3) Allocation by DOD to DA
- (4) Allocation by DA to OCE
- (5) Allotments issued by OCE
- (6) Allotment received by a district
- (7) Obligations incurred
- (8) District activities
- (9) OCE expense
- (10) Disbursements for OCE expense
- (11) FHA activities
- (12) Checks issued
- (13) Confirmed deposits
- (14) Cost of homes sold
- (15) Transfer of revenue to Treasury
- (16) Fiscal year-end closing entries

2. Sample entries. Except where "(Balt)" or "(OCE)" follows the title, the entry applies to all districts. In entries affecting Account 1020.3-Funds with Treasury - District, the appropriate decimal suffix to the fund account is used in lieu of the fund subtitle.

(1) Appropriation to DOD (OCE)

Dr 1020.- Funds with Treasury -		
.1 DOD	20,000,000	
Cr 4001.- Unapportioned Appropriation -		
.1 Appropriation Realized		20,000,000

(2) Apportionment to DOD (OCE)

Dr 4001.- Unapportioned Appropriation -		
.2 Appropriation Apportioned	20,000,000	
Cr 4011 Appropriation Reserve		1,000,000
4201 Unallocated Apportionments		19,000,000

ER 37-345-10  
 APP 10-I  
 Change 4  
 2 Jun 1969

\* (3) Allocation by DOD to DA (OCE)

Dr 4201	Unallocated Apportionments	17,500,000	
Cr 4301	Apportionments Allocated		17,500,000

(4) Allocation by DA to OCE (OCE)

Dr 1020.-	Funds with Treasury		
.2	OCE	17,500,000	
Cr 4401	Allocations Received and Distributed		17,500,000

(5) Allotments issued by OCE (OCE)

Dr 4401	Allocations Received and Distributed	8,120,700	
Cr 4404	Allotments Issued		8,120,700

(6) Allotment received by a District

(a) For District activities

Dr 1020.-	Funds with Treasury -		
.31	District (.0122)	4,000,000	
Cr 4501	Unobligated Allotment		4,000,000

(b) For OCE and FHA activities (Balt)

Dr 1020.-	Funds with Treasury -		
.31	District (.0122)	2,120,700	
Cr 4501	Unobligated Allotment		2,120,700

(7) Obligation incurred

(a) For District activities

Dr 4501	Unobligated Allotment	1,500,000	
Cr 4801	Undelivered Orders		1,500,000

(b) For OCE expense and FHA activities (Balt)

Dr 4501	Unobligated Allotment	1,565,000	
Cr 4801	Undelivered Orders		1,565,000

ER 37-345-10  
APP 10-I  
Change 4  
2 Jun 69

\* (8) District activities

(a) Acquisition of homes

Dr 1793 Acquisitions in Process 625,000  
Cr 2100.- Accounts Payable - 625,000

ALSO

Dr 4801 Undelivered Orders 625,000  
Cr 3012.- Expended Allotment -  
.2 Current Fiscal Year 625,000

(b) Settlement for acquisition of homes

Dr 1791 Homes Acquired 2,615,000  
(Cost accounts:  
1791.1 Equity Payments to Homeowners 609,000  
1791.2 Liquidation of Secondary  
Mortgages/Liens 6,000  
1791.3 Mortgages Payable Assumed 2,000,000)  
Cr 1793 Acquisitions in Process 615,000  
2100.- Accounts Payable 2,000,000

ALSO, for Mortgages Payable Assumed (#)

Dr 1020.31 Funds With Treasury - District 2,000,000  
Cr 3012.- Expended Allotment -  
.2 Current Fiscal Year 2,000,000

(#) Record automatic obligational authority and accrued expenditure upon assumption of mortgage (para 10-4c).

(c) District expenses

Dr 7851 Reimbursement for Loss on  
Private Sale 50,000  
7852 Payments in Foreclosure Cases 75,000  
7853 Appraisals 380,000  
7859.- Administrative Expense -  
.1 District Office 290,000  
Cr 2100.- Accounts Payable - 795,000 \*

ER 37-345-10  
 APP 10-I  
 Change 4  
 2 Jun 69

ALSO

\* Dr 4801 Undelivered Orders 795,000  
 Cr 3012.- Expended Allotment -  
 .2 Current Fiscal Year 795,000

(d) Disbursements by check

Dr 2100.- Accounts Payable - 1,375,000  
 Cr 1000 Disbursing Officer\*s Cash 1,375,000

(e) Disbursement and collection of no-check  
SF 1080

Dr 2100.0 Accounts Payable - 2,000,000  
 Cr 1020.- Funds with Treasury -  
 .3 District (.0122) 2,000,000

AND

Dr 1020.- Funds with Treasury -  
 .32 District (.0197) 2,000,000  
 Cr 2601.- First Mortgage. Payable -  
 .1- Mortgages Assumed by  
 US - 2,000,000

(f) Checks issued

Dr 1000 Disbursing Officer\*s Cash 1,375,000  
 Cr 1020.- Funds with Treasury -  
 .31 District (.0122) 1,375,000

(9) OCE expense (Balt)

Dr 7859.- Administrative Expense -  
 .2 OCE 60,000  
 Cr 2100.- Accounts Payable - 60,000

ALSO

Dr 4801 Undelivered Orders 60,000  
 Cr 3012.- Expended Allotment -  
 .2 Current Fiscal Year 60,000

ER 37-345-10  
 APP 10-I  
 Change 4  
 2 Jun 69

\* (10) Disbursements for OCE expense (Balt)

Dr 2100.-	Accounts Payable -	56,000	
	Cr 1000 Disbursing Officer*s Cash		56,000

(11) FHA activities (Balt)

(a) Gross payables

Dr 1603.-	Purchase Money Mortgages Receivable -		
.1-	Mortgages Accepted -	500,000	
2601.-	First Mortgages Payable -		
.2-	Payments by US (Dr) -	200,000	
.3-	Mortgages Transferred to Purchaser (Dr) -	900,000	
7854.-	FHA Activities -		
.1	Interest Payments on Mortgages Assumed	25,000	
.2	Payments in Lieu of Taxes and Insurance	20,000	
.3	Maintenance	10,000	
.4	Sales Expense	18,000	
7859.-	Administrative Expense -		
.3	FHA Insuring Offices	48,000	
.4	FHA Headquarters	22,000	
Cr 2100.-	Account Payable -		1,743,000

ALSO

Dr 4801	Undelivered Orders	143,000	
Cr 3012.-	Expended Allotment -		
.2	Current Fiscal Year		143,000

(b) Gross receivables

Dr 1100.-	Accounts Receivable -	2,055,000	
Cr 1603.-	Purchase Money Mortgages Receivable -		
.2-	Collections by US (Dr)	40,000	
6742.-	Sales of Homes -		
.1	Sales Proceeds	600,000	
.2	Mortgages Transferred to Purchaser	900,000	
.3	Purchase Money Mortgages Accepted by US	500,000	
6743	Purchase Money Mortgages Interest	15,000	*

ER 37-345-10  
 APP 10-I  
 Change 4  
 2 Jun 69

\* (c) Collection of net receivable from FHA,  
and adjustments in Funds with  
Treasury accounts

Dr 1000	Disbursing Officer*s Cash	312,000	
2100.-	Accounts Payable -	1,743,000	
	Cr 1100.- Accounts Receivable-		2,055,000

AND

Dr 1020.-	Funds with Treasury -		
.35	District (.0173)	40,000	
.36	District (.0122)	2,015,000	
	Cr 1020.- Funds with Treasury -		
.31	District (.0122)		455,000
.33	District (.0187)		1,100,000
.34	District (.0167)		500,000

(12) Checks issued (Balt)

Dr 1000	Disbursing Officer*s Cash	56,000	
	Cr 1020.- Funds with Treasury -		
.31	District (.0122)		56,000

(13) Confirmed deposits (Balt)

Dr 1020.-	Funds with Treasury -		
.31	District (.0122)	312,000	
	Cr 1000 Disbursing Officer*s Cash		312,000

(14) Cost of homes sold (Balt)

Dr 7855	Acquisition Cost of Homes Sold	1,700,000	
	Cr 1792 Homes Sold (Cr)		1,700,000

(15) Transfer of revenue to Treasury (Balt)

Dr 3214	Funds Returned to US Treasury	600,000	
	Cr 1020.- Funds with Treasury -		
.36	District (.0122)		600,000

\*

(16) Fiscal year-end closing entries

\* (a) Close prior fiscal year expenditures account in October

Dr 3012.-	Expended Allotment -	
.2	Current Fiscal Year	3,420,000
Cr 3012.-	Expended Allotment -	
.1	Prior Fiscal Years	3,420,000

\* (b) Close prior fiscal year operating results (in October)

Dr 3102	Accumulated Operating Results	683,000
6742.-	Sales of Homes -	
.1	Net Sales Proceeds	600,000
.2	Mortgages Transferred to Purchaser	900,000
.3	Purchase Money Mortgages Accepted by US	500,000
6743	Purchase Money Mortgages Interest	15,000
Cr 7851	Reimbursement for Loss On Private Sales	50,000
7852	Payments in Foreclosure Cases	75,000
7853	Appraisals	380,000
7854.-	FHA Activities -	
.1	Interest Payments on Mortgages Assumed	25,000
.2	Payments in Lieu of Taxes and Insurance	20,000
.3	Maintenance	10,000
.4	Sales Expense	18,000
7855	Acquisition Cost of Homes Sold	1,700,000
7859.-	Administrative Expense -	
.1	District Office	290,000
.2	OCE	60,000
.3	FHA Insuring Offices	48,000
.4	FHA Headquarters	22,000

ER 37-345-10  
Change 24  
3 Oct 77

(c) Close prior fiscal year purchase money  
mortgages collection account into  
mortgages accepted account (Balt)  
in October.

\*

Dr 1603.-	Purchase Money Mortgages		
	Receivable -		
	.2- Collections by US (Cr) -	40,000	
Cr 1603.-	Purchase Money Mortgages		
	Receivable -		
	.1- Mortgages Accepted		40,000

(d) Close prior fiscal year expenditure account  
(Balt) in October.

\*

Dr 3012.-	Expended Allotment -		
	.2 Current Fiscal Year	203,000	
Cr 3012.-	Expended Allotment -		
	.1 Prior Fiscal Years		203,000

APPENDIX 10-II

\*

RCS DAEN-ECF-18(R2)  
(Page 1 of 3)

Report Format

FINANCIAL REPORT - HOMEOWNERS ASSISTANCE FUND

\* TO: HQDA (DAEN-ECF-C)  
WASH DC 20314

FROM:

\*

A. Trial Balance of General Ledger ( date )

<u>Account</u>	<u>Debit</u>	<u>Credit</u>
1000 Disbursing Officer*s Cash		
1020.3- Funds with Treasury - District -		
.31 Budget Expenditure Account		
.32 Borrowing Account - Receipt.		
.33 Borrowing Account - Disbursements		
.34 Loan Account - Disbursements		
.35 Loan Account - Repayments		
.36 Revenue Account		
1100.- Accounts Receivable -		
.1 Within Government		
.2 Other		
1603.- Purchase Money Mortgages Receivable -		
.1 Mortgages Accepted -		
.11 Within Government		
.12 Other		
.2- Collections by US (Cr) -		
.21 Within Government		
.22 Other		
1791 Homes Acquired		
(1791.1 Equity Payments to Homeowners)	( )	
(1791.2 Liquidation of Secondary Mortgages/Liens)	( )	
(1.791.3 Mortgages Payable Assumed)	( )	
1792 Homes Sold (Cr)		
1793 Acquisitions in Process		
2100.- Accounts Payable -		
.1 Within Government		
.2 Other		
2120 Contract Payments Withheld (Retained Percentage)		

ER 37-345-10  
 APP 10-II  
 Change 4  
 2 Jun 69

(Page 2 of 3)

A. Trial Balance of General Ledger (     date     ) (cont\*d)

<u>Account</u>	<u>Debit</u>	<u>Credit</u>
2601.- First Mortgages Payable -		
.1- Mortgages Assumed by US -		
.11 Within Government		
.12 Other		
.2- Payments by US (Dr) -		
.21 Within Government		
.22 Other		
.3- Mortgages Transferred to Purchaser		
.31 Within Government		
.32 Other		
3012.- Expended Allotment -		
.1 Prior Fiscal Years		
.2 Current Fiscal Year		
3102 Accumulated Operating Results		
3214 Funds Returned to US Treasury		
4501 Unobligated Allotment		
4801 Undelivered Orders		
6742.- Sales of Homes		
.1 Sales Proceeds		
.2 Mortgages Transferred to Purchaser		
.3 Purchase Money Mortgages Accepted by US		
6743 Purchase Money Mortgages Interest		
7851 Reimbursement for Loss on Private Sales		
7852 Payments in Foreclosure Cases		
7854.- FHA Activities -		
.1 Interest Payments on Mortgages Assumed		
.2 Payments in Lieu of Taxes and Insurance		
.3 Maintenance		
.4 Sales Expense		
7855 Acquisition Cost of Homes Sold		
7859.- Administrative Expense -		
.1 District Office		
.2 OCE		
.3 FHA Insuring Offices		
.4 FHA Headquarters		
TOTALS	_____	_____
	=====	=====
9029 Military Personnel Costs (Memo)	_____	

\*

\* B. Reconciliation - Current Fiscal Year Data - 97X4090.0122 Budget Expenditure Account (All Program Years)

1. Change in Liabilities

a.	Balance, beginning of Fiscal Year		\$	
b.	Add: Accrued Expenditures		\$	
	Account 1791			
	7851	\$		
	7852	\$		
	7853	\$		
	7854.-	\$		
	7859.-	\$		
c.	Less: Disbursements (CSCFA-216)		\$	_____
d.	Balance, end of reporting period		\$	=====

2. Change in Funds with Treasury (Account 1020.31)

a.	Balance, beginning of Fiscal Year		\$	
b.	Add: Net Allotments		\$	_____
c.	Less: Net Disbursements (CSCFA-216)		\$	_____
d.	Balance, end of reporting period		\$	=====

3. Disbursements and Obligations (CSCFA-216)

a.	Disbursements		\$	
b.	Add: Change in Liabilities (1a minus 1d, above)		\$	_____
c.	Expended Allotment (Account 3012.2)		\$	
d.	Change in Undelivered Orders (Account 4801)		\$	
	Balance, beginning of Fiscal Year	\$		_____
	Balance, end of reporting period	\$		_____
e.	Obligations - Current fiscal year		\$	=====
C.	Number of homes acquired, current fiscal year			_____ *

CHAPTER 11

GENERAL ACCOUNTING PROCEDURES - CARRIER FUND

<u>Topic</u>	<u>Paragraph</u>	<u>Page</u>
Purpose	11-1	11-1
Method of Financing	11-2	11-1
Commitments and Obligations	11-3	11-1
The Accrual Basis of Accounting	11-4	11-2
Labor Cost	11-5	11-3
Account Structure	11-6	11-5
Capital Asset Acquisitions	11-7	11-6
Financial Reporting	11-8	11-6
APPENDIX A Carrier Fund Results From Operations		11-A-1
APPENDIX B Carrier Fund Statement of Operations		11-B-1
APPENDIX C Carrier Fund Statement of Financial Position		11-C-1
APPENDIX D Carrier Fund Statement of Cash Flows		11-D-1

## CHAPTER 11

### GENERAL ACCOUNTING PROCEDURES - CARRIER FUND

11-1. Purpose. The Carrier Fund is an accounting method utilized by USACE Commands engaged primarily in military (not civil) activities. It is designed to accomplish functions similar to those of the Corps Revolving Fund. The Carrier Fund method is a cost distribution system that temporarily finances the procurement of goods and services for primarily military projects. The cost of these goods and services are distributed on an equitable basis to each benefitting project.

#### 11-2. Method of Financing.

a. Funds for the operation of the Carrier Fund will be identified to one or more allotted line items from USACE. The Carrier Fund will be financed by a DD Form 448 (Military Interdepartmental Purchase Request) from the military project (the allotted line item(s) from USACE) and reported as the funded appropriation.

b. Cost incurred in the Carrier Fund will be transferred to military projects through the assessment of departmental overhead, general and administrative overhead, flat rate supervision and administration, and other charges as appropriate.

c. Adequate funding must be made available to cover unliquidated commitments, undelivered orders and accounts payable incurred in the Carrier Fund until expenditure refund is made from military projects.

#### 11-3. Commitments and Obligations.

a. Commitments Incurred. The instructions contained herein will be observed in lieu of those contained in DFAS-IN 37-1. Commitment documents will be received, certified, posted to fiscal accounting records and filed in accordance with the provisions of chapter 5.

ER 37-345-10  
Change 52  
30 Sep 96

b. Obligations Incurred. The instructions contained herein will be observed in lieu of those in DEAS-IN 37-1. Obligation documents will be received, posted to fiscal accounting records and filed in accordance with the provisions of chapter 5.

11-4. The Accrual Basis of Accounting.

a. Definition. Accrual accounting recognizes in the accounting records, and in reports prepared therefrom, all transactions and events which have any impact on the financial condition or results of operations of an organization as the transactions or events take place or become effective. Under the accrual basis of accounting, disclosure is made of all changes in liabilities, assets, current cost, and expenses, and revenues resulting from transactions or events which affect these items. Obligations are recorded and reported when incurred. Liabilities are recorded and reported when incurred. Liabilities are recorded when the goods and services are received, assets when acquired or constructed, income when earned, expenses when incurred, or when resources are consumed through use.

b. Policy. The Corps accounting system is maintained on the accrual basis as defined above. Such accruals are made on a monthly basis and take into consideration the concept of constructive delivery and constructive receipt.

c. Matching Periods and Cost. The use of the accrual basis assures that the accounting records disclose an accurate and complete picture of the income and expense for a given accounting period and of the financial condition at the end of the period because this basis gives recognition to all phases or stages in the financial process from beginning to end. The accrual basis also readily permits the matching of costs with statistical data regarding the work performed for the same period, and thus provides information useful in the establishment of standards, evaluation of performance and planning for the future.

d. Accrued Expenditures. Accrued expenditures are the charges incurred during a given period requiring the expenditure

of funds for goods, properties, services and other assets. They do not include unfunded costs. Expenditures accrue regardless of when cash payments are made, whether invoices have been received or, in some cases, whether goods or other assets have been physically received. Accrued expenditures provide a means for measuring the fulfillment of planned programs and furnish essential data for cost accounting, inventory stores, and property accounting. Estimates of accrued expenditures will be made by individuals in a position to know vendor or contractor progress on contracts and orders.

e. Accounting for Revenues. Revenue transactions will be recorded in the month they are earned, or otherwise determined to be due the Government on the basis of performance by the Corps, and the records clearly indicate data regarding bills issued. Any amounts received by the Corps in advance of performance or other basis of establishing a valid claim therefore will be recorded as a liability until the revenues are actually earned.

11-5. Labor Cost.

a. Civilian Employees.

(1) Actual Pay Method. The following procedures are for payrolls paid initially from military funds at USACE Commands performing only military functions. HQUSACE approval is required for use of this method.

(a) Labor charges will be made in multiples of full hours only; i.e., charges for time worked and on leave will be rounded off to the nearest whole hour. Care must be exercised to account for neither more nor less than the total elapsed working period. Accordingly, no account will be charged for less than one hour, minor periods of time being absorbed in charges raised to full hour increments.

(b) Labor costs are the amounts of gross pay earned for both time worked and time absent on leave with pay, plus Government contributions to the Civil Service Retirement System (CSRS),

ER 37-345-10  
Change 52  
30 Sep 96

Federal Employees Retirement System (FERS), Thrift Savings Plan (TSP), Federal Insurance Contributions Act (FICA) (composed of Old Age, Survivors and Disability Insurance (OASDI) and Medicare), Federal Employees\* Group Life Insurance (FEGLI), and Federal Employees Health Benefits (FEHB).

(c) Leave time of employees in elements where cost account charges are generally the same each pay period will be charged to the accounts involved. Leave time of employees in the Engineering and Construction Division, etc., will be included in indirect labor which is distributed on the basis of direct labor. Reserves for leave will not be maintained.

(d) Severance pay and continuation pay for traumatic job-related injuries will be charged to costs on an equitable basis and included with other current labor charges to applicable cost account. For example, payments to a former overhead employee would continue to be charged to the applicable organizational account; supervision and inspection personnel on uniform rate work would be charged to applicable VW/RF 65 account and for other than uniform rate work, to work on which previously engaged or, if the majority of such work is complete, distribution would be made to current work based on other labor charges to such work.

(2) Effective Rate Method. USACE Commands may desire to charge labor at effective time rates. In such cases, an accrued leave and a government contribution account (or a combined payroll account) may be established under a military carrier fund. Similar procedures as prescribed in ER 37-2-10 for the Revolving Fund may then be followed except the accrued leave reserve account should approximate zero at the end of the fiscal year. This is the preferred method; HQUSACE approval is not required.

b. Military Personnel. (See chapter 7)

c. Estimated Labor Costs for Incomplete Pay Period at End of Month. Except where the daily labor report is used as the basis for distribution labor cost, such costs for incomplete pay

periods at month end will be estimated, and these estimated costs will be taken into consideration in the following month in recording actual labor costs for the full pay period. Either of the methods described below may be followed in distributing such estimated labor costs:

(1) On the same form used for computing (or summarizing) the actual labor cost distribution for the last full pay period of the month, show also the estimated cost distribution for the partial pay period to the end of the month, and the total of both will be distributed to the accounts. Reverse the estimated cost distribution on the summary form when making the distribution for the following full pay period, and the net difference will be distributed to the accounts.

(2) Separately schedule the estimated cost distribution for the partial pay period to the end of the month and distribute to the accounts. In the following month, either reverse the costs so distributed, or (as in (a) above) deduct the estimates from the distribution for the actual costs for the following full pay period and distribute the net difference to the accounts.

(3) Under either method outlined above, the estimated labor earnings for periods estimated will also be entered in the accounts for the period, and reversed in the accounts for the following period.

11-6. Account Structure. The Carrier Fund cost accounts structure will be similar to the Corps Revolving Fund (RF) cost accounts structure, as noted in chapters 6, 13, 16, 17, 22, 24, and 26 in ER 37-2-10. Minor deviations from the RF account structure are authorized; however, distributions from the Carrier Fund accounts must be based on benefits received by the projects/activities being charged. All deviations from the RF account structure should be documented by a local standing operating procedure (SOP) and a copy provided to HQUSACE (CERM-F).

ER 37-345-10  
Change 52  
30 Sep 96

11-7. Capital Asset Acquisitions. The Carrier Fund will not be used to acquire capital assets (property or equipment with the useful life of two or more years and with an acquisition cost of \$100,000 or greater). Such equipment must be obtained through the appropriate capital asset acquisition program.

11-8. Financial Reporting. GAO Title 2 financial statements (Balance Sheet, Operating Statement, Cash Flow, Reconciliation to Budget) are required for quarterly submission to HQUSACE (CERM-AO) (for examples, see appendixes 11-A, 11-B, 11-C, and 11-C). The reports are due by the close of business on the 15th calendar day following the end of each quarter. Fiscal year-end reports require certification in accordance with chapter 28, DFAS-IN 37-1.

\*

**APPENDIX A**  
**CARRIER FUND RESULTS FROM OPERATIONS FOR PERIOD ENDING \_\_\_\_\_**

<b>ACCOUNT TITLE</b>	<b>PRIOR FISCAL YEAR BALANCE</b>	<b>CURRENT FISCAL YEAR REVENUES</b>	<b>CURRENT FISCAL YEAR EXPENSES</b>	<b>CURRENT FISCAL YEAR GAIN/LOSS( )</b>	<b>OPERATING ACCOUNT END OF PERIOD</b>
RESERVED	\$6,955,414.00	\$931.00		\$931.00	\$6,956,343.00
NET INCOME FROM STOCK ACCT.					
WAREHOUSE OPER					
SALVAGE OPER					
RESERVED					
CEAP-IA					
VISUAL INFORMATION					
O&M S&A CLEARING (OMAHA)					
RESERVED					
SHOP AND YARDS OPER					
LABORATORY OPER					
GARAGE OPER		\$141,490.00	\$170,804.00	(\$29,314.00)	(\$29,314.00)
PRINTING CLEARING		\$230,127.00	\$381,455.00	(\$151,328.00)	(\$151,328.00)
DIV OFFICE FUNCTIONAL					
DEPREC USE FREE PERMIT PROP					
GOV'T CONTRIBUTIONS					
SURVEY PARTIES OPER					
CORE DRILLING OPER					
AUTOMATION	(\$1,384.00)	\$281,346.00	\$1,080,142.00	(\$798,796.00)	(\$800,180.00)
TELECOMMUNICATIONS					
RESERVED					
CONSOLIDATED SUPPORT CTR					
RESERVED					
JOB SITE LABOR					
OTHER FACILITY SERVICES	(\$94,979.00)	\$5,256,331.00	\$6273,834.00	(\$1,017,503.00)	(\$1,112,482.00)
O & A OVERHEAD	\$1,022,212.00	\$9,997,252.00	\$8,666,040.00	\$1,331,212.00	52,353,424.00
DEPARTMENTAL OVERHEAD	\$36,186.00	\$3,560,611.00	\$4,033,896.00	(\$473,285.00)	(\$437,099.00)
AREA OFFICE OPER					
MILITARY CONSTR S & A	\$0.00	\$6,289,041.00	\$6,289,041.00	\$0.00	\$0.00
MILITARY O&M S&A	\$0.00	\$1,326,556.00	\$1,326,556.00	\$0.00	\$0.00
ACTIVITES OF HQUSACE					
<b>TOTAL OPERATING RESULTS</b>	<b>\$7,917,449.00</b>	<b>\$27,083,685.00</b>	<b>\$28,221,768.00</b>	<b>(\$1,138,083.00)</b>	<b>\$6,779,364.00</b>

\*

\*

APPENDIX B

CARRIER FUND STATEMENT OF OPERATIONS  
U.S. ARMY ENGINEER DISTRICT, KALAMAZOO  
SUMMARY  
FOR PERIOD ENDING \_\_\_\_\_

Revenue	\$60,000,000
Expenses	<u>59,990,000</u>
Gain	\$ 10,000
Fund Balance Beginning of Year	
	<u>5,000</u>
Fund Balance End of Year	\$ 15,000

\*

\*

APPENDIX C

CARRIER FUND STATEMENT OF FINANCIAL POSITION  
U.S. ARMY ENGINEER DISTRICT, KALAMAZOO  
SUMMARY  
FOR PERIOD ENDING \_\_\_\_\_

ASSETS

Funds with the U. S. Treasury	\$23,000,000
Accounts Receivable	8,000,000
MILCON S&A - Undis. Cost	<u>2,500,000</u>
TOTAL ASSETS	\$33,500,000

LIABILITIES

Accounts Payable	\$ 3,500,000
Accounts Payable - Payroll	9,000,000
Foreign National Severance Pay	2,000,000
Adances from MILCON Approp.	<u>17,000,000</u>
TOTAL LIABILITIES	\$31,500,000
Fund Balance - Gains/(Loss)	<u>\$ 2,000,000</u>
Total Liabilities and Fund Balance	\$33,500,000

\*

\*

APPENDIX D

CARRIER FUND STATEMENT OF CASH FLOWS  
U.S. ARMY ENGINEER DISTRICT, KALAMAZOO  
SUMMARY  
FOR PERIOD ENDING \_\_\_\_\_

Items Requiring Funds	
Dec. in Foreign National Severance Pay	\$ 700,000
Inc. in Undistributed Costs - S&	<u>10,000</u>
TOTAL FUNDS REQUIRED	\$ 710,000
Items Providing Funds	
Inc. in Accounts Payable	\$ 705,000
Inc. in Advances from MILCON	
Appropriations	4,500,000
Dec. in Accounts Receivable	<u>4,500,000</u>
TOTAL FUNDS PROVIDED	<u>\$ 9,705,000</u>
Net Increase/(Decrease) in Cash	\$ 8,995,000
Cash - 1 October XXXX	<u>13,205,000</u>
Cash - Period ending _____	\$22, 200,000

\*